

EUGENIO G. PALILEO, LAURO G. PALILEO AND THE HEIRS OF AURELIO G. PALILEO, NAMELY: AURELIO PALILEO, OLIVIA L. PALILEO AND TEOFILO L. PALILEO, PETITIONERS, VS. NATIONAL IRRIGATION...*G.R. NO. 148574. October 11, 2005*

Ponente: CHICO-NAZARIO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-148574/>**CHICO-NAZARIO, J.:**

This is an appeal by certiorari from the Decision[1] dated 10 April 2001 of the Court of Appeals in CA-GR CV No. 62854, reversing the Decision of the Regional Trial Court of San Pablo City, Laguna, Branch 30, in Civil Case No. SP-4270 for recovery of possession with damages which ordered respondent National Irrigation Administration (NIA) to pay petitioners P100,000 with legal interest for its use of the land. Likewise assailed is the Resolution[2] dated 15 June 2001 denying petitioners' motion for reconsideration.

The appeal stemmed from the antecedents per summary of the Court of Appeals which we paraphrase as follows:

Lot 1, Psu-26200 situated at Barangay Manaol, Municipality of Nagcarlan, Province of Laguna, was originally registered under Original Certificate of Title No. 2140 pursuant to Decree No. 13700 in the name of Olivia Gomez Vda. De Palileo, mother of petitioners Eugenio G. Palileo, Lauro G. Palileo and the late Aurelio G. Palileo, herein represented by his heirs.[3]

Petitioners are in possession of the subject property, having inherited the same from their mother who died on 14 January 1980. Said parcel of land was subdivided into three (3) lots namely: (1) Lot 1-A, with an area of 61,595 square meters, registered in the name of petitioner Eugenio G. Palileo under Transfer Certificate of Title No. T-152619; (2) Lot 1-B, with an area of 61,596 square meters, registered in the names of the heirs of Aurelio G. Palileo, herein petitioners Aurelio L. Palileo, Olivia L. Palileo and Teofilo L. Palileo under Transfer Certificate of Title No. T-152620; and (3) Lot 1-C, with an area of 61,596 square meters, registered in the name of petitioner Lauro G. Palileo under Transfer Certificate of Title No. T-152621, all of the Registry of Deeds for the Province of Laguna.[4] The transfer of title in petitioners' name was entered in the books of the Registry of Deeds of Laguna on 12 September 1994.[5]

Respondent NIA, on the other hand, has been on the property since 1956, having built thereon a canal in 1956 and an access road in 1983. NIA access road and the canal took an area of over 10,000 square meters. Records of respondent showed that the lot occupied by the canal was expropriated by virtue of a court order as early as 24 February 1958 and that information regarding the construction of access roads, under a foreign-assisted program, had been disseminated by the respondent among municipal mayors sometime in April 1978. It does not appear, however, whether payment of just compensation had been made upon such expropriated property of herein petitioners.[6]

Records likewise bear out that the respective lots of petitioners were benefited by the irrigation system of the

respondent. In a letter dated 11 January 1994, respondent NIA assessed petitioner Olivia Palileo irrigation service fee amounting to P16,221.40.[7]

Shortly, in a letter dated 28 March 1994, petitioner Eugenio Palileo made a formal claim for reasonable rentals on the affected portions of the land. Since their demands were refused by the respondent, petitioners instituted the present action on 10 July 1995 for recovery of possession with damages against the respondent alleging that respondent illegally constructed an irrigation canal with an adjacent road, eating up a total of 10,570 square meters. Petitioners prayed for a judgment: (a) underscoring the fact that they are the lawful registered owners of the 10,570 square meter-portion of the lot taken by the defendant unlawfully; (b) ordering the respondent to bestow peaceful possession of the subject property to petitioners; and (c) ordering the respondent to pay petitioners reasonable compensation for the continued use of the subject portion during all the time prior to this suit in the sum of not less than P100,000.00, acceptance fee, moral and exemplary damages as well as litigation expenses.[8]

In its Answer with Counterclaim and Affirmative Defenses, respondent, represented by the Office of the Government Corporate Counsel, alleged that it is empowered and authorized under par. (e), Sec. 1 of Presidential Decree No. 552 (P.D. No. 552), amending certain sections of Republic Act No. 3601 entitled, "An Act Creating the National Irrigation Administration" to acquire, by any mode of acquisition, real and personal properties and all appurtenant rights, easements, concessions and privileges, whether the same are already devoted to private or public use in connection with the development of projects by the NIA.[9]

Respondent further stated in its Answer that the subject parcels of land were devoted to irrigation project since 1956 and acquired by NIA's predecessors through expropriation proceedings which was granted per Court Order released on 24 February 1958. With respect to the NIA road, it is unflinching in saying that sometime in 1978 to 1979, a Memorandum of Agreement between NIA and petitioners' predecessors-in-interest was executed for the occupation of the subject parcels of land and the cutting down of its fruit bearing trees and that notices of the proposed construction of NIA access roads and other irrigation facilities were disseminated to the municipal mayors and farmers on 27 April 1978 to allow NIA to proceed with the construction. Respondent added that due compensation on plant damages was given on 27 June 1984.[10] Finally, respondent opined that the present action has already prescribed pursuant to par. (3), Sec. 1 of P.D. No. 552. Respondent thus prayed that judgment be rendered dismissing the complaint for utter lack of merit and on its counterclaim, that petitioners be ordered to pay respondent the sums of P155,317.65 as payment of their unpaid irrigation service fee and 20% thereof as attorney's fees and costs of suit.[11]

On 6 January 1998, the trial court rendered judgment in favor of the petitioners in the following tenor:

1. Plaintiffs being the lawful and registered owners of the 10,570 square meters of land usurped by the defendant the herein defendant is hereby ordered to pay the plaintiffs the sum of P100,000.00 for its use of the land with legal interest from 1956 until fully paid; P10,000.00 for attorney's fees and P15,000.00 for litigation expenses and to pay the costs.

Defendant's counterclaim is hereby DISMISSED.[12]

Respondent's motion for reconsideration failed to sway the trial court. On appeal, the Court of Appeals promulgated the assailed Decision dated 10 April 2001 reversing the decision of the trial court, with the fallo:

WHEREFORE, premises considered, the appeal is hereby GRANTED. The appealed Decision in Civil Case No. SP-4270 is hereby REVERSED and SET ASIDE and a new judgment is hereby rendered DISMISSING the complaint. Plaintiffs-appellees are hereby ordered to pay to appellant NIA the sum of P155,317.65 representing unpaid irrigation fees/administration charges with interest at 6% per annum from June 30, 1994

until fully paid.

No pronouncement as to costs.[13]

Petitioners were likewise unsuccessful in moving for the reconsideration of the Court of Appeals Decision. Hence, hard done by the ruling, petitioners elevated the matter to us via the instant appeal, opposing the Decision and Resolution of the Court of Appeals on the following assignment of errors:

I. THE COURT A QUO COMMITTED A SERIOUS ERROR IN LAW IN RULING THAT UNDER NIA'S CHARTER, PETITIONERS' CAUSE OF ACTION TO SEEK COMPENSATION FOR NIA'S USE/EXPROPRIATION OF EXPROPRIATED PROPERTIES HAD LONG PRESCRIBED.

II. THE COURT A QUO COMMITTED A SERIOUS ERROR IN LAW IN HOLDING PETITIONERS LIABLE FOR IRRIGATION FEES DESPITE THE ABSENCE OF ANY AGREEMENT WITH THE LATTER.[14]

The pith of this controversy is whether or not the Court of Appeals committed reversible error in setting aside the ruling of the trial court. Concretely, the questions are: (1) whether prescription bars petitioners' claims and (2) whether petitioners are liable to respondent for irrigation fees.

Petitioners, in their brief, ardently argue that the Court of Appeals overlooked the fact that there is no record of any payment of just compensation to the petitioners and there was no expropriation case filed by respondent with regard to its taking in 1983 of a portion of petitioners' property for use as access road.[15] They are effusive on their argument that there is no basis to hold them liable to respondent for irrigation dues as there was no agreement between petitioners and respondent for the latter to render irrigation service on their properties.[16]

En contra, respondent waxes lyrical that the subject parcels of land were devoted for the irrigation project since 1956, and were acquired by respondent's predecessor, the Department of Public Works and Highways, thru expropriation proceedings, which the expropriations court granted in an order dated 24 February 1958.[17] As regards the access road, a memorandum of agreement was executed between respondent and petitioners' predecessors-in-interest for the occupation of the subject parcels of land and the cutting down of its fruit-bearing trees, so says respondent.[18] Finally, respondent whips up support for its contention that the Court of Appeals correctly awarded the payment of irrigation fees to it inasmuch as petitioners' lands benefited from the irrigation system of respondent.[19]

We are not inclined to acquiesce in petitioners' viewpoint.

The 1987 Constitution explicitly provides for the exercise of the power of eminent domain over private properties upon payment of just compensation.[20] In *Republic of the Philippines v. Court of Appeals*,[21] the Court characterized the power of eminent domain in this wise:

The right of eminent domain is usually understood to be an ultimate right of the sovereign power to appropriate any property within its territorial sovereignty for a public purpose. Fundamental to the independent existence of a State, it requires no recognition by the Constitution, whose provisions are taken as being merely confirmatory of its presence and as being regulatory, at most, in the due exercise of the power. In the hands of the legislature, the power is inherent, its scope matching that of taxation, even that of police power itself, in many respects. It reaches to every form of property the State needs for public use and, as an old case so puts it, all separate interests of individuals in property are held under a tacit agreement or implied reservation vesting upon the sovereign the right to resume the possession of the property whenever the public interest so requires it.

The ubiquitous character of eminent domain is manifest in the nature of the expropriation proceedings.

Expropriation proceedings are not adversarial in the conventional sense, for the condemning authority is not required to assert any conflicting interest in the property. Thus, by filing the action, the condemnor in effect merely serves notice that it is taking title and possession of the property, and the defendant asserts title or interest in the property, not to prove a right to possession, but to prove a right to compensation for the taking.

The constitutional restraints are public use and just compensation.[22] Here, the expropriated property has been shown to be for the continued utilization by the NIA of irrigation canal and access road, which property has assumed a public character upon its expropriation. However, the court order, which is the best evidence to prove that the area covered by the irrigation canal was indeed expropriated pursuant to an order of the court, was not adduced in evidence. Notwithstanding the absence of the court order, we are inclined to give more credence to the respondent's explanation that the construction of the canal was by virtue of a court order dated 24 February 1958.

For one, the records bear out a photocopy of an entry in NIA's Log Book stating that the lot supposedly occupied by the irrigation canal was expropriated by virtue of a court order released on 24 February 1958.[23] On record, too, is a Certification[24] dated 9 May 1997 issued by the Land Irrigation System Custodian, Erlinda A. Payra, stating that the aforesaid photocopy of the entry in NIA's log book is a true and faithful reproduction of the original. Said certification was subscribed before the Clerk of Court of Sta. Cruz, Laguna. The entry in the log book and the certification issued by the Land Irrigation System custodian must be considered admissible and competent evidence as they form part of official records. This is pursuant to the rule that entries in official records made in the performance of his duty by a public officer are prima facie evidence of the facts therein stated.[25] Having been made by public officers in the performance of their duties, the evidentiary value of such document must, therefore, be sustained in the absence of strong, complete and conclusive proof of its falsity or nullity.[26]

Moreover, there is no dispute that the irrigation canal of respondent has been in existence dating back 1956 and that it was devoted to public use. Case law has it that the unpaid landowner can not recover possession of property taken for public use even while no requisite expropriation proceedings were first instituted.[27] The landowner was merely given the relief of recovering compensation for his property computed at its market value at the time it was taken and appropriated by the State.[28]

Alfonso v. Pasay City[29] is a case where there was no expropriation proceedings but this Court denied recovery of possession by the registered owner of a portion of a private lot taken by the Pasay City and used for road purposes and instead decreed payment of its market value at the time it was taken and appropriate. It would, therefore, make no difference that the order of expropriation for the irrigation canal was not adduced in evidence in the case at bar because under prevailing jurisprudence,[30] whether or not there was expropriation proceedings, the only relief available to the owner of the private property taken for public use is to recover compensation.

In the same way, it is immaterial that respondent failed to produce the memorandum of agreement for the access road, which agreement respondent NIA claims to have entered into with petitioners' predecessor-in-interest. From the evidence on record, respondent NIA has occupied, utilized and, for all intents and purposes, exercised dominion over the property. Further, it is undisputed that the access road was taken by respondent for public use. Hence, such taking, even in the absence of an order of expropriation or memorandum of agreement, shall not entitle the owner to the recovery of possession but only to just compensation, following existing case law. [31]

It is on the matter of compensation which is of foremost concern in the case at bar inasmuch as petitioners pummel on their claim that they were not paid for the lot taken by respondent on which the irrigation canal and the access road were built. Petitioners would pound on the dearth of evidence to prove payment of just compensation.

True, in expropriation proceedings, the owner of the private property taken for public use is entitled, as a matter of

right, to just compensation, but more to the point, P.D. No. 552, which took effect in 1974, has provided for the period upon which all actions against the NIA for compensation must be instituted. P.D. No. 552 added the following paragraph to Republic Act No. 3601 (An Act Creating the National Irrigation Administration):

Sec. 1. . . .

(e) To acquire, by any mode of acquisition, real and personal properties, and all appurtenant rights, easements, concessions and privileges, whether the same are already devoted to private or public use in connection with the development of projects by the NIA;

The National Irrigation Administration is empowered to exercise the right of eminent domain in the manner provided by law for the institution of expropriation proceedings.

...

All actions for the recovery of compensation and damages against the National Irrigation Administration under paragraphs (1), (2), and (3) hereof, shall be filed with a competent court within five (5) years from the date of entry of the land or destruction of the improvements or crops, after which period, the right of possession and/or ownership of the NIA shall be considered vested and absolute. All other actions for the recovery of compensation and damages to private property and improvements occasioned by the construction, operation and maintenance of irrigation facilities and other hydraulic structures under the administration of the National Irrigation Administration, which have accrued ten (10) or more years prior to the approval of this decree are deemed to have prescribed and are barred forever.

With respect to the irrigation canal occupied by respondent, the above-quoted provision of P.D. No. 552 provides that all other actions for the recovery of compensation and damages to private property and improvements which have accrued ten or more years prior to the approval of this decree (in 1974) are deemed to have prescribed and are barred forever. Inasmuch as the canal was built as early as 1956, it is therefore clear that the claim for compensation with respect to the lot occupied by the irrigation canal is already time barred for having accrued 18 years prior to the approval of p.d. No. 552 in 1974.

As for the access road which was built in 1983, P.D. No. 552 provides that claims for compensation and damages ought to be taken within five years from the time it was built in 1983, or on or before 1988. As earlier noted, petitioners first instituted this proceeding for payment against respondent only in 1995. The unusually long delay in bringing the action to compel payment against herein respondent would militate against them consistently with the rule that one should take good care of his own concern.[32]

As pointed out by the Court of Appeals with alacrity, Sec. 1(e) of P.D. No. 552 expressly provided for the prescriptive periods within which any action for recovery of compensation and damages as a result of appellant NIA's exercise of the right of eminent domain may be filed. The Civil Code itself provided that the prescriptions of actions in the Civil Code are without prejudice to those specified in special laws, which in this case is P.D. No. 552. Thus, Article 1115 of the Civil Code provides-

ART. 1115. The provisions of the present Title are understood to be without prejudice to what in this Code or in special laws is established with respect to specific cases of prescription.

In fine, it is immaterial that respondent was unable to produce proof of payment of the lot occupied by the latter's irrigation canal and access road because in any event, all claims for payment by petitioners has already prescribed by virtue of the explicit provisions of P.D. No. 552.

We can not feign a blind eye to the fact that the present action was triggered by the respondent's demand for irrigation fees against petitioners on 11 January 1994. Subsequent to the receipt of the demand letter by petitioners

through their tiller, petitioner Eugenio G. Palileo wrote respondent on 28 March 1994 claiming payment for the right of way. On 12 September 1994, petitioners caused the transfer of the property in their name and in July 1995, commenced the present action. Indeed, the series of events culminating in the filing of the present suit would demonstrate that the present action was precipitated by the respondent's demand for payment of irrigation fees, which, to us, constitutes a valid and legal claim.

On this note, we affirm the findings as well as conclusions of facts of the Court of Appeals, to wit:

As to appellant's counterclaim for the payment by plaintiffs-appellees of irrigation fees or administration charges, We find the same to have legal basis and the amount thereof sufficiently established by the evidence on record. Except for their bare denial of such unpaid irrigation or administration fees owing to the appellant NIA, plaintiffs-appellees had not shown by evidence that they, through their tenants, had not been benefited by the irrigation service provided by the appellant for several years now. Sec. 1 (b) of P.D. No. 552 expressly provided that NIA has the right to enforce the collection of such unpaid irrigation or administration charges by judicial action and such shall even be preferred liens first, upon the land benefited, and then on the crops raised thereon.[33] (Emphases supplied)

Petitioners make much ado about the absence of a written agreement to prove their availment of respondent's irrigation services. They enthuse that absent any agreement and sans proof that they are beneficiaries of the irrigation facility, no payment can be exacted from them. On record is a demand letter dated 11 January 1994 of Romeo R. Anonuevo, Provincial Irrigation Officer of the National Irrigation Administration of Region IV, addressed to petitioner Olivia Palileo thru a certain Arsenio Bueta, whom petitioners admit as one of the tillers of the land. Likewise on record are the respective statements of account for petitioners as of 31 August 1996, also signed by the Provincial Irrigation Officer of respondent. These documents would show the irrigation consumption of petitioners' lots as well as petitioners' outstanding balance in irrigation fees. We accord weight to these documents signed by the Provincial Irrigation Officer applying the presumption that official acts or functions were regularly done. In the absence of clear and convincing evidence to the contrary, the presumption of regularity of official acts by government officials must necessarily prevail.[34]

Indeed, not only is the award of payment of irrigation fees based on the law governing the NIA, it is likewise based on the equitable postulate that having benefited from the services provided by respondent, it is unjust for petitioners to retain benefit without paying for it.[35]

All given, the findings and conclusions of the Court of Appeals are in rhyme with the facts and the law and there are no compelling reasons for this Court to depart from the Court of Appeals' verdict.

WHEREFORE, the present petition is hereby DENIED. Accordingly, the Decision and the Resolution dated 10 April 2001 and 15 June 2001, of the Court of Appeals in CA-G.R CV No. 62854, are hereby AFFIRMED. Costs against petitioners.

SO ORDERED.

Puno, (Chairman), Austria-Martinez, Callejo, Sr., and Tinga, JJ., concur.

[1] Rollo, pp. 26-33. Penned by Associate Justice Martin S. Villarama, Jr. with Associate Justices Conrado M. Vasquez, Jr. and Eliezer R. Delos Santos, concurring.

[2] Rollo, p. 34.

[3] Rollo, pp. 26-28.

- [4] Rollo, p. 28.
- [5] Original Records, pp. 6-8.
- [6] Id.
- [7] Exhibit 4, List of Exhibits, p. 6.
- [8] Rollo, p. 28.
- [9] Id.
- [10] Rollo, p. 29.
- [11] Ibid.
- [12] Rollo, p. 45.
- [13] Rollo, p. 53.
- [14] Rollo, p. 5.
- [15] Ibid.
- [16] Rollo, pp. 22-23.
- [17] Rollo, p. 81.
- [18] Ibid.
- [19] Rollo, p. 98.
- [20] Reyes v. National Housing Authority, G.R. No. 147511, 20 January 2003, 395 SCRA 494, 502.
- [21] G.R. No. 146587, 2 July 2002, 383 SCRA 611, 619.
- [22] Reyes v. National Housing Authority, *supra*, note 20.
- [23] Exhibit 1, List of Exhibits, pp. 1-2.
- [24] Id., Exhibit "1-C," p. 3.
- [25] Rule 130, Section 44. Entries in official records.- Entries in official records made in the performance of his duty by a public officer of the Philippines, or by a person in the performance of a duty specially enjoined by law, are prima facie evidence of the facts therein stated. See Lao v. Standard Insurance Co., Inc., G.R. No. 140023, 14 August 2003, 409 SCRA 43, 48-49.
- [26] Heir of Pedro Cabais v. Court of Appeals, G.R. Nos. 106314-15, 8 October 1999, 316 SCRA 338, 343.
- [27] Alfonso v. Pasay City, 106 Phil 1017, cited in Republic v. Court of Appeals, *supra*, note 21.
- [28] Ibid.
- [29] Ibid. See Valdehueza v. Republic, G.R. No. L-21032, 19 May 1966, 17 SCRA 107, 112.
- [30] Reyes v. National Housing Authority, *supra*, note 20.
- [31] Ibid.
- [32] Republic v. Court of Appeals, G.R. No. 146587, 02 July 2002, 383 SCRA 611.

[33] Rollo, p. 33.

[34] *People v. de Leon*, G.R. Nos. 132484-85, 15 November 2002, 391 SCRA 682; *Pangkat Laguna v. COMELEC*, G.R. No. 148075, 4 February 2002, 376 SCRA 97.

[35] *Soler v. Court of Appeals*, G.R. No. 123892, 21 May 2001, 358 SCRA 57.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.