



# Buyer RPT Due Diligence Checklist

For property buyers in the Philippines



This checklist is designed to help property buyers in the Philippines conduct thorough due diligence regarding Real Property Tax (RPT) before committing to a purchase. Using this guide *before* paying a reservation fee, signing a Deed of Absolute Sale, and releasing full payment can protect you from inheriting unpaid taxes, penalties, or encountering documentation issues. Consult with a real estate lawyer or tax advisor for personalized advice.

## 1. Property Identification & Scope

Confirm the exact details of the property being purchased. This includes the property's address, lot number, and declared area.

### Checklist Items:

- ☐ Obtain a copy of the Transfer Certificate of Title (TCT) or Condominium Certificate of Title (CCT).
- ☐ Obtain a copy of the latest Tax Declaration.
- ☐ Verify the property address on both the TCT/CCT and Tax Declaration.
- ☐ Confirm the declared area (land and/or building) on both documents.

## 2. Verification of RPT Payments

Verify that the RPT payments are current. This requires checking the payment history with the local government unit (LGU).

### Checklist Items:

- ☐ Request the seller to provide official receipts of RPT payments for the last five (5) years.
- ☐ Obtain a Tax Clearance Certificate from the LGU's Treasurer's Office. This certificate confirms that all RPT obligations are up to date as of the date of issuance.
- ☐ Cross-reference the official receipts with the Tax Declaration details (property identification, year, amount paid).

## 3. Delinquency & Arrears Check

Investigate any potential RPT delinquencies or arrears that may exist on the property.

### Checklist Items:

- ☐ Inquire with the LGU Treasurer's Office about any outstanding RPT liabilities, including penalties and interests.
- ☐ Request a written certification from the LGU stating that the property has no outstanding RPT delinquencies.
- ☐ Check if there are any liens or encumbrances on the property title related to unpaid RPT.

## 4. Assessment & Classification Review

Review the property's assessment and classification to ensure it is accurate and reflects the current use of the property. Incorrect assessment can lead to incorrect tax payments.

### Checklist Items:

- ☐ Review the latest Tax Declaration to confirm the property's classification (e.g., residential, commercial, industrial).
- ☐ Assess if the classification aligns with the actual use of the property. If there are discrepancies, inquire with the LGU Assessor's Office about the process for reclassification.
- ☐ Understand how the assessed value of the property is determined. Request information on the assessment criteria used by the LGU.

## 5. Tax Declaration vs Title Consistency

Ensure that the information on the Tax Declaration is consistent with the details on the property's title (TCT/CCT).

### Checklist Items:

- ☐ Verify that the property owner's name on the Tax Declaration matches the name on the TCT/CCT. Discrepancies may indicate unresolved ownership issues.
- ☐ Confirm that the property description (lot number, area, location) is identical on both documents.
- ☐ If there are any discrepancies, request the seller to provide documentation explaining the differences and the steps taken to rectify them.

## 6. Transaction Readiness Checks

Before finalizing the purchase, confirm that all necessary documents are available and in order for a smooth transfer of ownership.

### Checklist Items:

- ☐ Confirm that the seller has the original TCT/CCT.
- ☐ Ensure the seller has a valid government-issued ID.
- ☐ Obtain copies of all relevant documents, including the Deed of Absolute Sale, Tax Declaration, and Tax Clearance Certificate.

- ☐ If the seller is represented by an attorney-in-fact, verify the validity and scope of the Special Power of Attorney (SPA).

## 7. Documentation to Secure

List of documents that the buyer should secure from the seller before closing the transaction.

### Checklist Items:

- ☐ Transfer Certificate of Title (TCT) / Condominium Certificate of Title (CCT)
- ☐ Tax Declaration (latest)
- ☐ Real Property Tax (RPT) Official Receipts (last 5 years)
- ☐ Tax Clearance Certificate
- ☐ Deed of Absolute Sale
- ☐ Seller's valid government-issued ID(s)
- ☐ Special Power of Attorney (if applicable)

## 8. Red Flags (Pause the Transaction If Present)

Identify potential red flags that may indicate problems with the property's RPT status. If any of these are present, *pause* the transaction and seek professional advice.

### Checklist Items:

- ☐ Unpaid RPT or inability to obtain a Tax Clearance Certificate.
- ☐ Discrepancies between the Tax Declaration and the TCT/CCT.
- ☐ Liens or encumbrances on the property title related to unpaid RPT.
- ☐ Inconsistent or missing RPT payment records.
- ☐ Refusal by the seller to provide necessary documents.
- ☐ Significant discrepancies in property area or classification.

## Buyer Reminder

**Important Reminder:** This checklist is for guidance only and does not constitute legal or tax advice. It is essential to consult with a qualified real estate lawyer and/or tax advisor to conduct a thorough due diligence and ensure a secure property purchase. Always verify information independently with the relevant government agencies.