

A Critical Review of the Trust in the Philippines: The Past, Present, and Future

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Renowned Harvard Law Professor Austin Wakeman said that “the purposes for which trusts can be created are as unlimited as the imagination of lawyers.” Despite the popularity and potential of the trust in foreign jurisdictions, it has remained relatively unknown and misunderstood in the Philippines. This Article seeks to answer questions about the trust by examining the trust under Philippine law, trust usage, and its challenges and opportunities.

Traces of the trust system can be found even before the 1950 Civil Code. Eventually, the 1950 Civil Code carried over trust provisions. The 1997 Rules of Civil Procedure also provide for procedural mechanisms in dealing with trusts. Finally, banking and investment laws and the National Internal Revenue Code all contain trust provisions.

The Author then delves into the nuts and bolts of the trust and the kinds of trusts found in the Philippines, but ultimately, the challenges and opportunities for the trust in the country involves developing further a Philippine trust law system and refining regulatory control and jurisdiction.