

METHODS OF IDENTIFYING LAND TITLES AND BENEFICIARIES RELATING TO UNCLAIMED MUSLIM ESTATES



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INTRODUCTION

RM60 billion worth of unclaimed estates since Merdeka

February 1, 2016

Natural Resources and Environment deputy minister says this is partly due to apathy and the lack of awareness on procedures.



Community Home - Metro - Community

Wednesday, 3 February 2016

Estates worth RM60bil left unclaimed



TANGKAK: Estates of the deceased worth RM60bil have not been claimed by their heirs since independence.

Natural Resources and Environment Deputy Minister Datuk Hamim Samuri blamed this on the heirs' ignorance and apathy. The figures were obtained through records from the Department of Director General of Lands and Mines (JKPTG) through the Estate Distribution Division (BPP) under the ministry.

UNCLAIMED CASH AND ASSETS LEFT BY THE DEAD

- RM38 billion in land and property
- RM1.5 billion with Registrar of Unclaimed Monies
- RM70 million with the EPF
- About a million land titles still in the name of dead people



“Sudden demise by a family member without leaving a will not only creates problems of inheritance but also leaves the family stranded

with outstanding loans and other obligations the deceased member may have.”

Rafie Omar,
Amanah Raya Berhad general manager of sales and marketing

“The attitude of not wanting to know the procedures or which agency should manage the estate distribution is also a reason for the heirs failing to initiate measures to claim their inheritance.

“There are also beneficiaries who consider the process of applying for division of property as slow, expensive and inconvenient.

“This has caused the deceased estates to be frozen, leaving the land idle.

“Most importantly, this can lead to others claiming the property,” he said when opening a forum and briefing On Small Estates Management, here.

He said besides JKPTG, other agencies that manage applications for the distribution of inheritance are the High Court and Amanah Raya Bhd. – Bernama

RESEARCH BACKGROUND

INTRODUCTION

- Estate of deceased Muslims formed 90 % of the total unclaimed estate are presumed left unproductive. Out of 52 Billion worth of estates it is reported that 1 Million land titles are unclaimed.
- Reasons :
 1. Difficulty to track the owners
 2. Difficulty to track their heirs.
 3. Clear identification of the owners but they still remain estates that ought to be distributed

To clear the backlog of the unclaimed million titles, identify new estates, and then distribute them, a **good practicable method of identification of estates and tracking heirs** is needed.



RESEARCH BACKGROUND

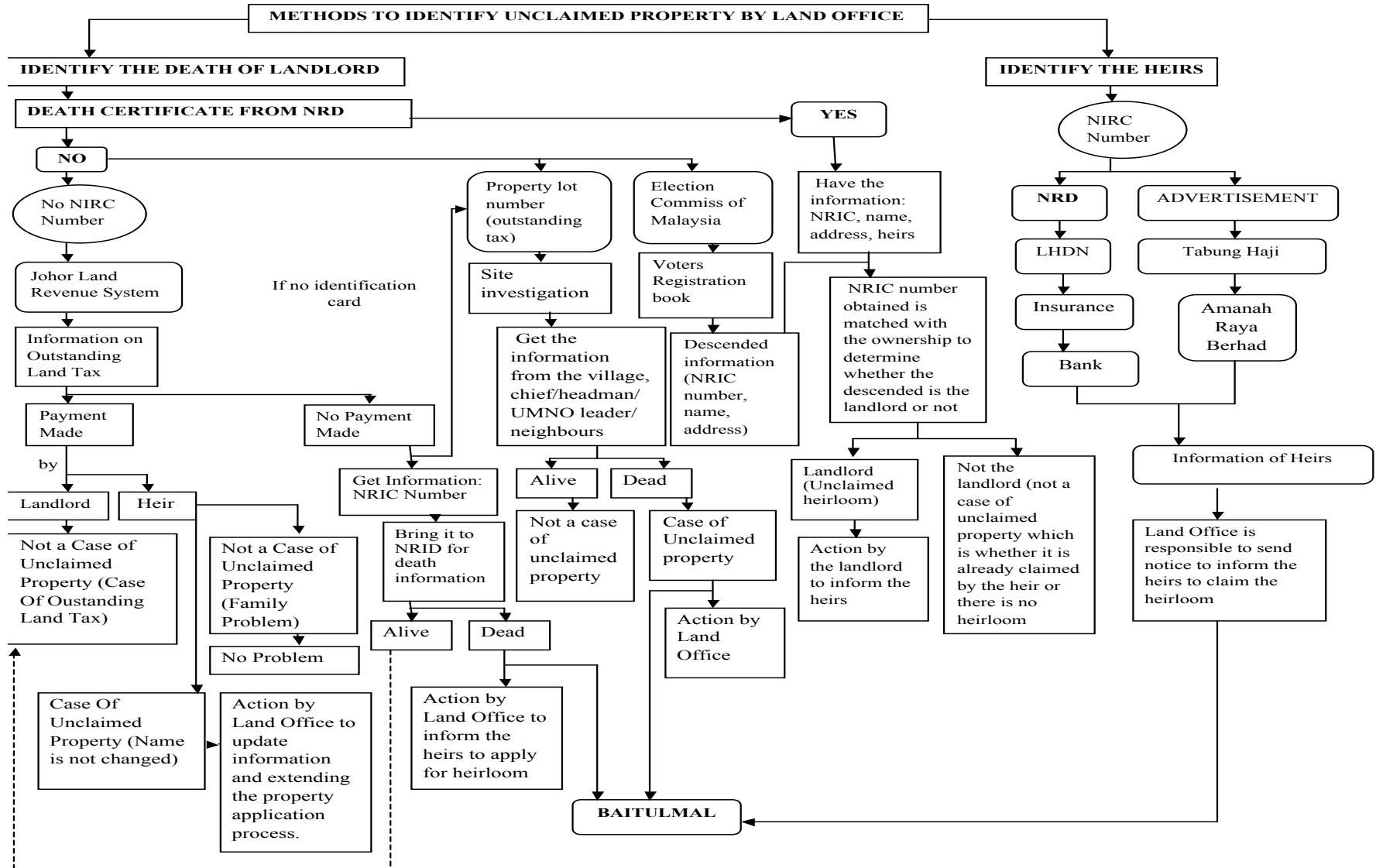
- The proposed of this study is to test the methods of identifying estates and their beneficiaries suggested by previous studies
- Focus will also be on the role of various agencies in relation to the integration of available data
- Titles belonging to Muslims only

Objectives

- Determine the methods for claiming estates, identifying unclaimed estates, and tracking the heirs of deceased owners of the estates
- Propose appropriate course of action which could expedite the clearing of backlog of unclaimed estates in Land Registry/Office, and other agencies holding unclaimed estates.



THE PROPOSED METHOD OF IDENTIFYING UNCLAIMED ESTATES BASED ON PREVIOUS STUDIES



Pilot Study : Proposed Method and Workflow of Searching Deceased Land

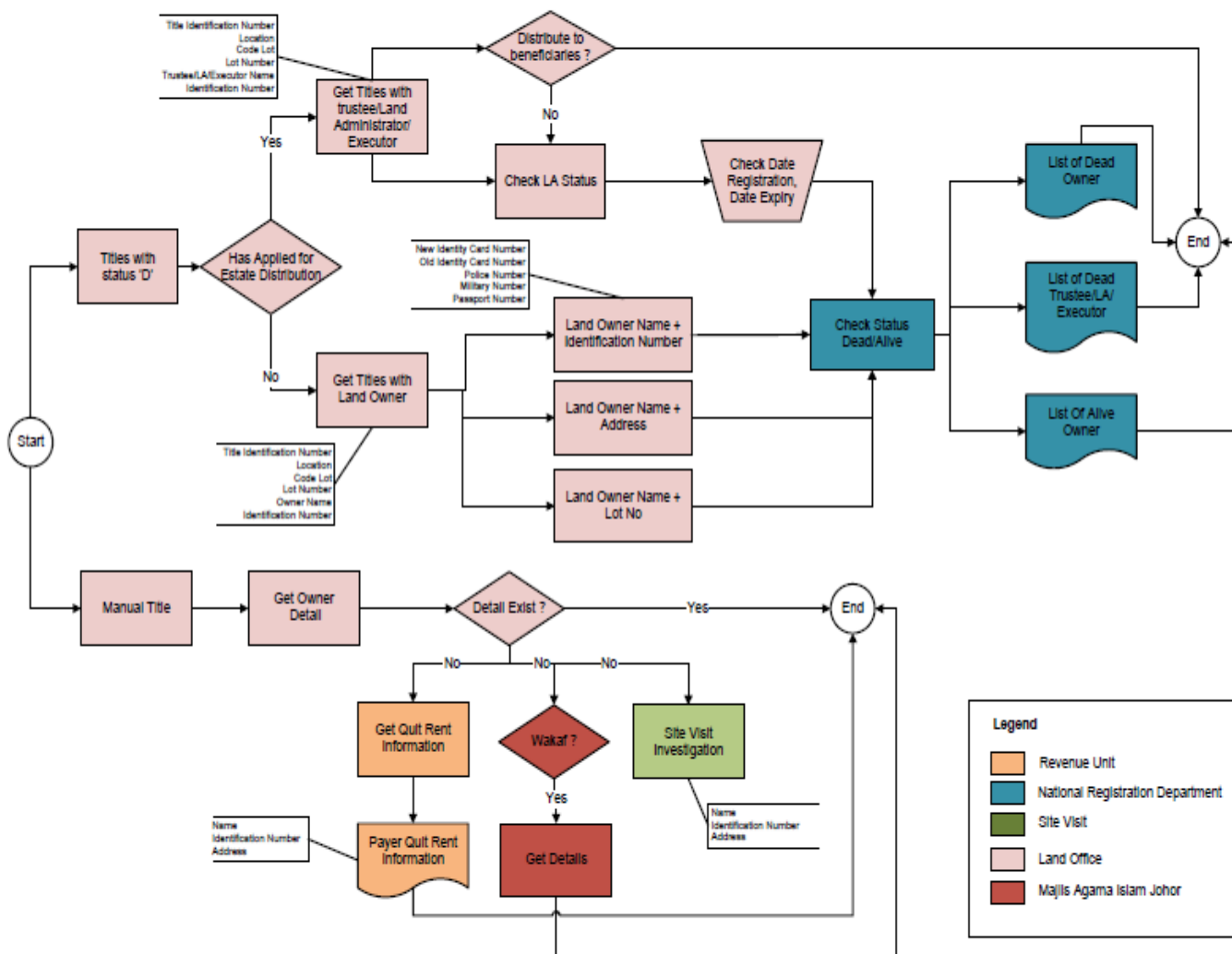
PILOT STUDY

- The first pilot study was carried out at Pejabat Tanah & Galian Negeri Johor
- This study involved Ketua Penolong Pengarah from Land Development Unit, Land Registration Unit, Revenue Unit, Information Technology Unit, Land Disposal and Enforcement Unit & Strata Unit.
- The main point of this pilot study was to discuss the methods and workflow for title identification that has been designed based on the content analysis of existing study of two previous works related to legislation and reports to Pejabat Tanah & Galian Nusajaya, Johor.

PILOT STUDY

Proposed Method for Searching Deceased Land Titles

Titles and ownership



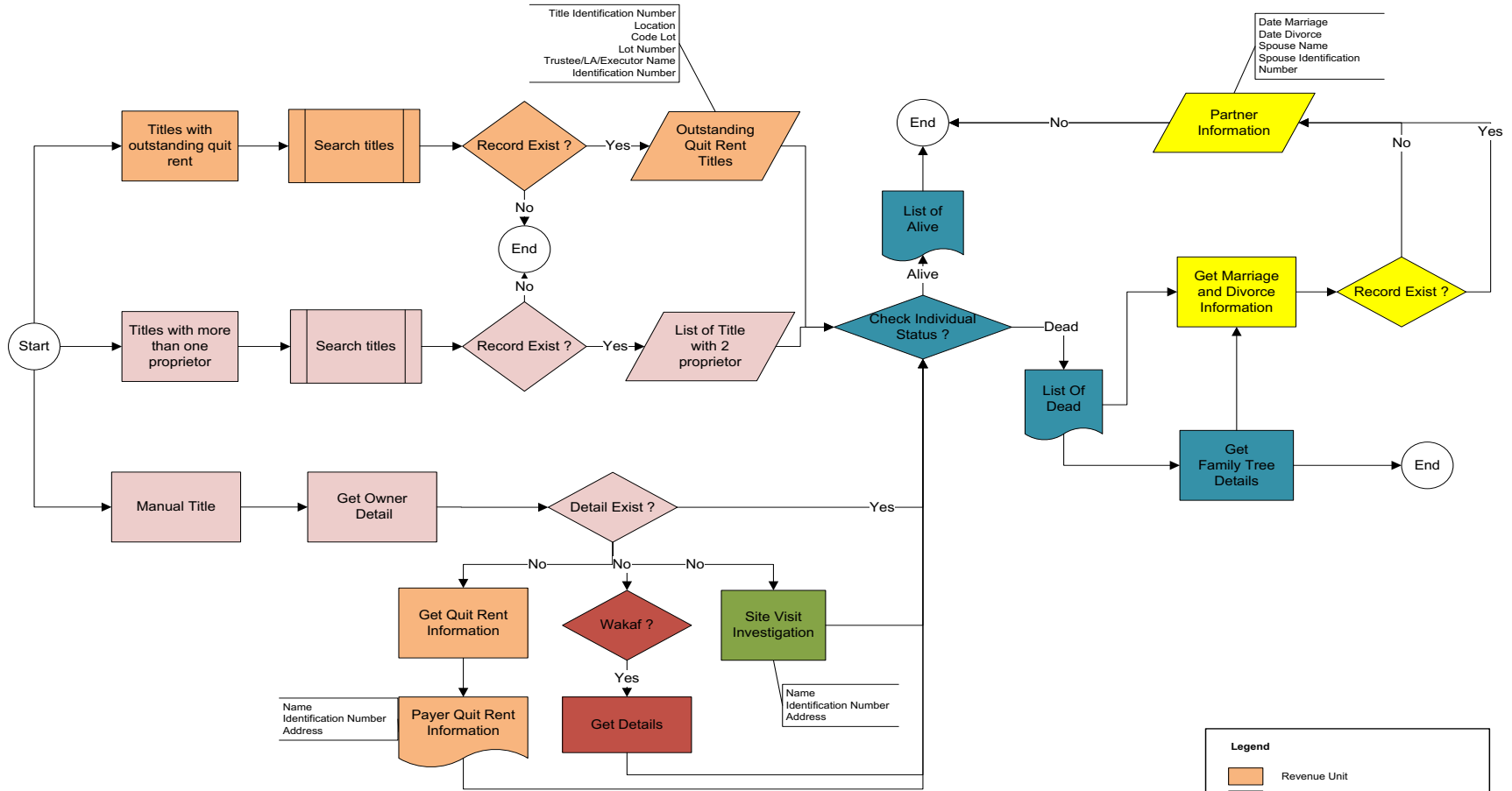
Two method to get a list of registered title by category:

- Registered Title – titles with 'D' status will be selected.
- Manual titles – titles that still not computerized titles.

The original proposal was modified after discussion.

PILOT STUDY ANALYSIS

Suggested Method for identifying deceased Land Titles



Suggested Method for identifying deceased Land Titles

1. Title with outstanding quit rent
2. Titles with more than 1 owner.
3. Manual Titles

REAL DATA TESTING

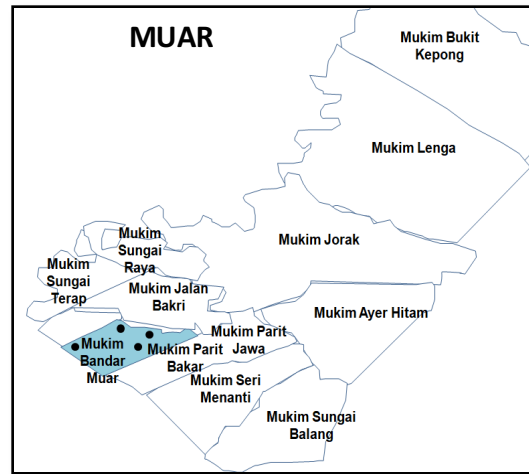
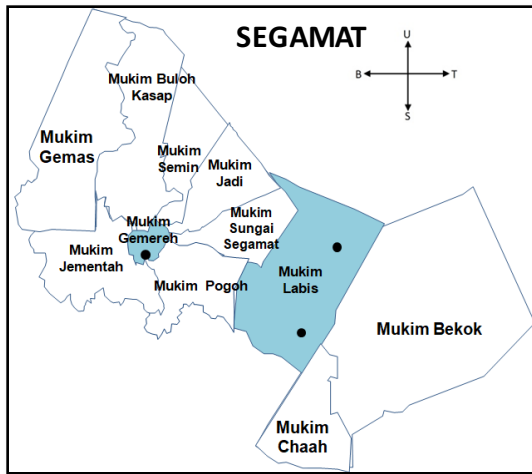
AGENCIES AND DATA SAMPLE

Agencies

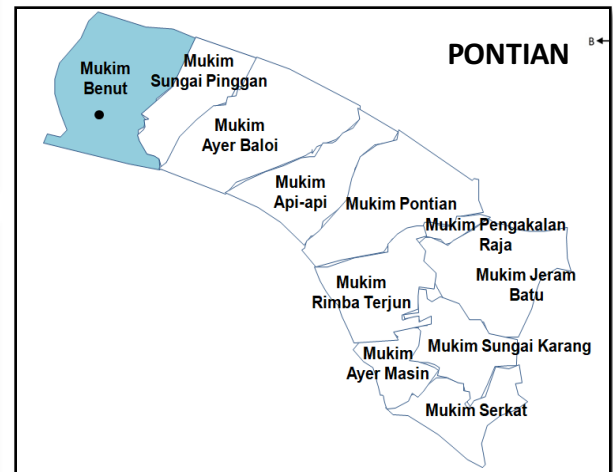
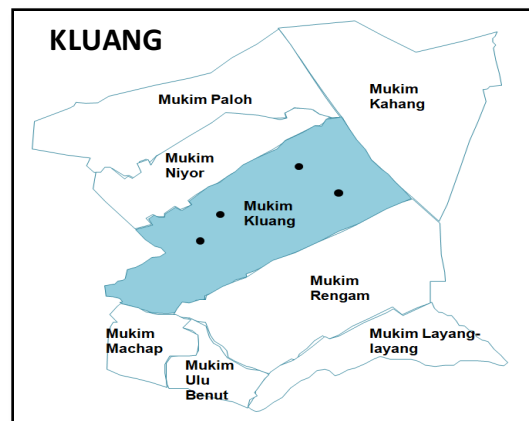
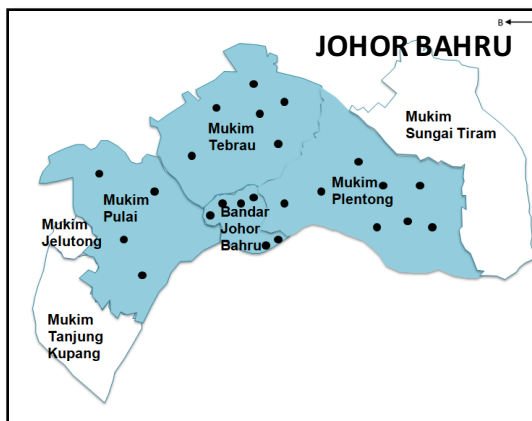
Code	Agencies	Departments / Units
A1	Pejabat Tanah & Galian (PTG Nusajaya)	Registration, Revenue, Information Technology, Land Development, Land Disposal and Enforcement Strata
A2	Jabatan Pendaftaran Negara (JPN Johor)	Information Technology
A3	Jabatan Agama Islam (JAIJ)	Marital and Divorce
A4	District Office	Penghulu Office/ Ketua Kampung
R1	Land Owner/ Benefeceries	Respective Lands

Data Sample From PTG Johor

Lots		Owners
Muslim	48	247
Non – Muslim	51	103
Total	99	350



STUDY AREA



Distribution of Unclaimed Estates by Districts

DATA ANALYSIS AND RESULT

- The data that was received from the Land Office was problematic.
- Several issues were faced that could be considered to be hindrance to identification of unclaimed estates.

Table 1 : Identification of Unclaimed Estate based on IC Number and Name

Lots			Owners
99	Muslim	48	247
	Non – Muslim	51	103
	Total no of Duplicate Names		23
	Total no of Duplicate IC		6
	Old (e.g. 16428)		31
	Others (e.g. A0169236)		4

Table 2 : Titles With Incomplete Information

Types of Lots	No of Lots	No of owners	Owners with no ICs	Owners with No Address	Owner Complete info	Total
Individual Titles	22	22	0	11	15 (5%)	22
Shared titles	26	247	59	202	39 (14%)	249
Total	48	275	59	213	54 (19%)	275

DATA ANALYSIS AND RESULT

Table 3 : Comparison of Expiry Date, Non-payment of Tax and Age of Owner
The analysis of all land owners age showed the following pattern:

Registration date	Expiry date	Quit Rent not paid	Status	Lease Term	No. of IC	Age Of Owner
12/02/2006	11/07/2105	1 Tahun	Leasehold	99	160128-XXXXXX	101
26/06/1991	-	6 Tahun	Freehold	-	301109- XXXXXX	87
26/06/1991	-	6 Tahun	Freehold	-	180116- XXXXXX	99
26/06/1991	-	6 Tahun	Freehold	-	190824 XXXXXX	98
26/06/1991	-	6 Tahun	Freehold	-	260613 XXXXXX	91
10/04/2004	-	3 Tahun	Freehold	-	180204- XXXXXX	99
10/04/2004	-	3 Tahun	Freehold	-	730809 XXXXXX	44
08/06/1971	07/06/2070	1 Tahun	Leasehold	99	130629- XXXXXX	104
18/04/1981	17/04/2041	1 Tahun	Leasehold	60	180608- XXXXXX	99
21/04/2011	-	-	Freehold	-	780708- XXXXXX	39
21/04/2011	-	-	Freehold	-	740727- XXXXXX	43
21/04/2011	-	-	Freehold	-	181127- XXXXXX	99

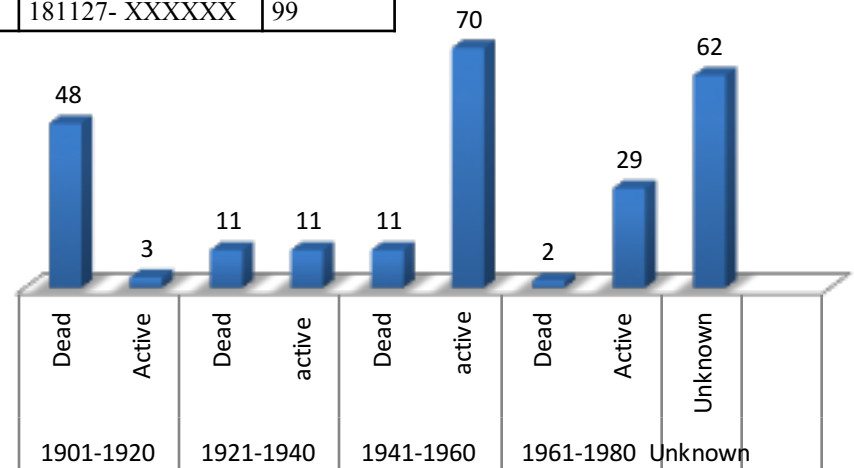


Figure 4 : Land Owners Age

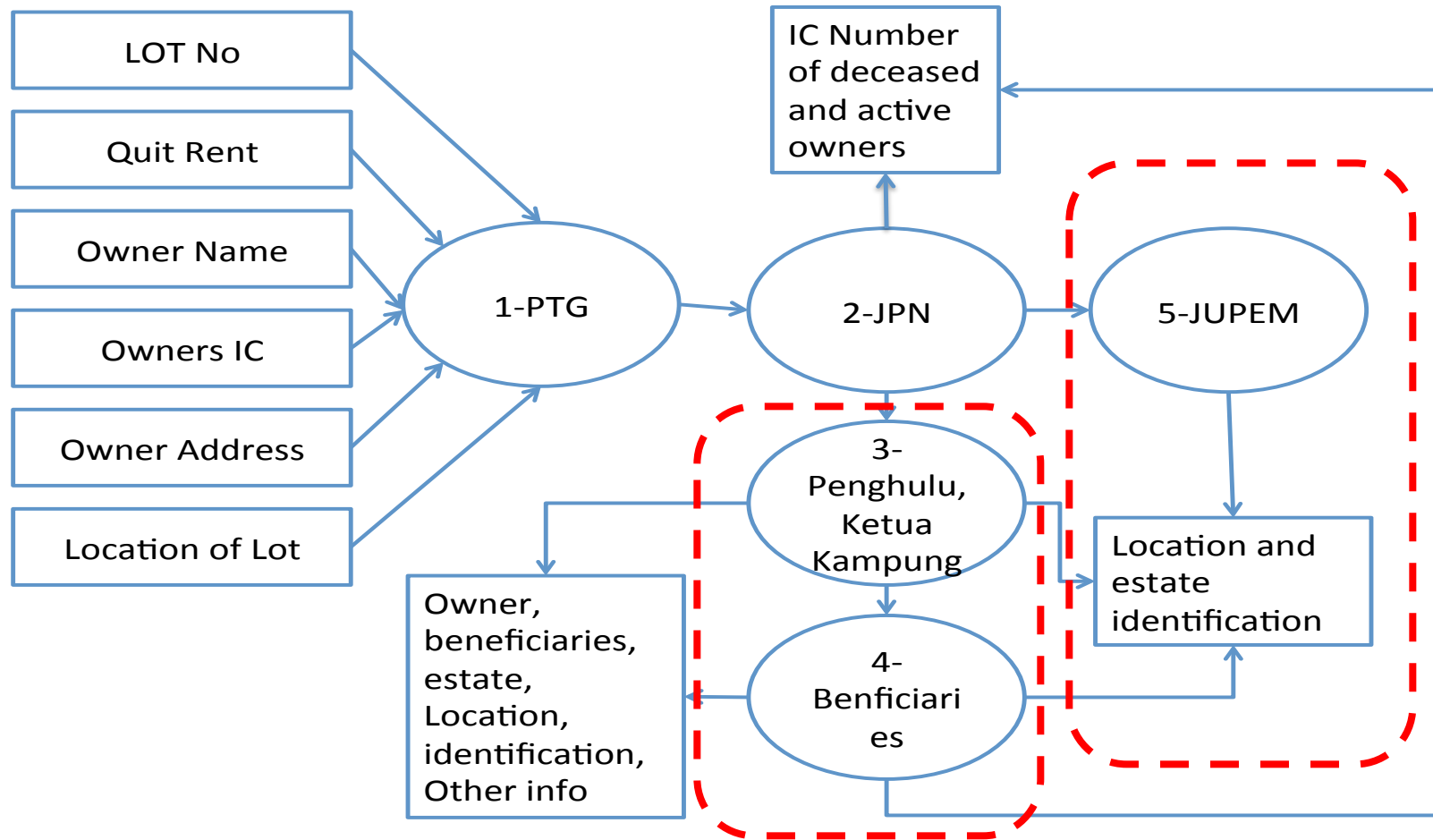
DATA ANALYSIS AND RESULT

Table 4 : Analysis Methods of Land Office Data for Identification of Estates

No		Signs of unclaimed estate	Degree of presumption
a)	1	Non-payment of Quit Rent for 2 years	Weak presumption of unclaimed estate
	2	Non-payment of Quit Rent for 2 years + short period of lease	Reasonable presumption a) unclaimed estate b) abandoned estate
	3	Non-payment of Quite rent for 2-12 years + short term lease, or age of owner above 70 years	Strong presumption
b)	Old age of owner		
		92-106 years old	Strong presumption of unclaimed estate
		70-91 years old	Reasonable presumption
		50-69 years old	Weak presumption i. Weak presumption if Quite Rent is paid ii. Reasonable presumption if Quite Rent not paid
c)		No IC Numbers	May be presumed if there is another IC no of the relative, otherwise need inquiry.

DATA ANALYSIS AND RESULT

FINAL TECHNIQUES OF DATA GATHERING : SOLUTION FOR UNCOMPLETED DATA



The methods, which some of them were planned at the beginning and those, which in the course of our study, were suggested by experts (the INSPEN Panel and our fellow researchers at the University

Fieldwork



Interview the beneficiaries



RESULTS OF STUDY ON EFFECTIVENESS AND EFFICIENCY OF METHODS USED

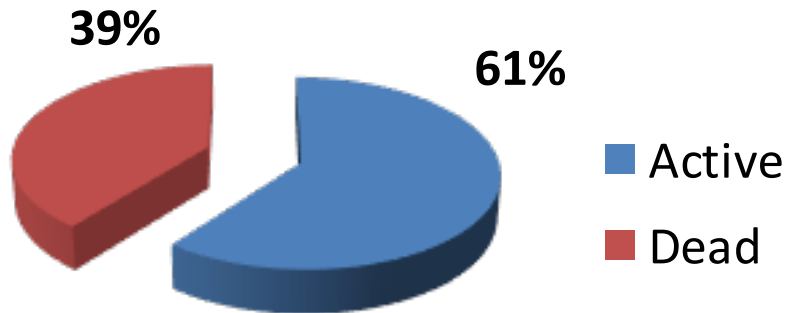
The list consisting all 247 landowners was checked by JPN. The result of the verifications were made based on IC No, address and death certificate and was categorized as:

1. Successful Data
2. Unsuccessful Data (This will be discussed under field work report)

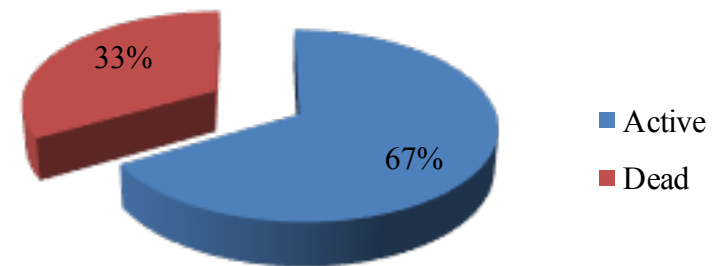
Successful Data

Overall, 193 landowners of presumed unclaimed estates were identified.

1. Success based on Ic Number (Old or New)



2. Success based on Police or Army ID



Three Landowners whose Army or Police ID numbers were recorded on land titles were also identified.

RESULTS OF STUDY ON EFFECTIVENESS AND EFFICIENCY OF METHODS USED

UNSUCCESSFUL JPN DATA AND DISCOVERY THROUGH PENGHULUS

A total of 50 beneficiaries of unclaimed estates was not successfully identified by JPN.

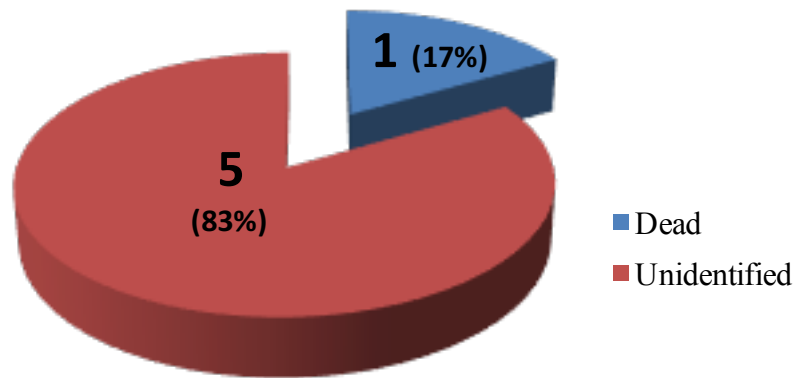
Unsuccessful Data from JPN

Owners	Frequency	Percent
1. Unidentified landowners with proper IC Numbers	6	12
2. Land owners with Abnormal IC Numbers	11	22
3. Landowners with No IC Numbers	32	64
4. Own by company	1	2
TOTAL	50	100

Land lots the owners of which were not identified by JPN were investigated through fieldwork comprising the penghulu and ketua kampung.

UNSUCCESSFUL DATA

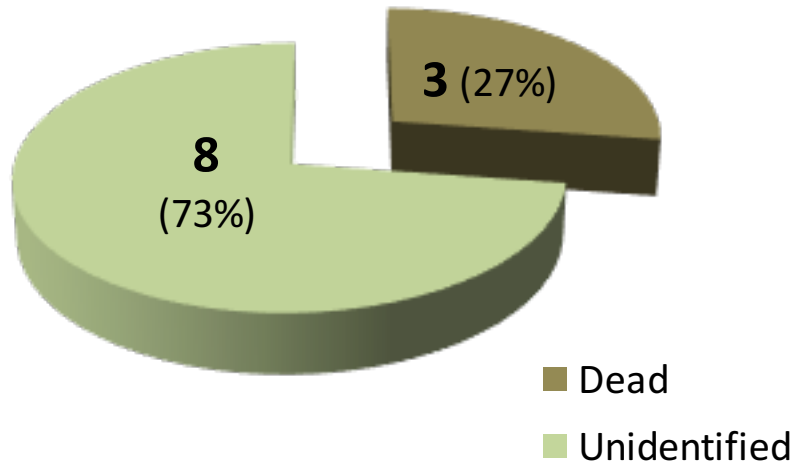
1. Unidentified Landowners With Proper IC Numbers



- Jabatan Pendaftaran Negara (JPN) confirmed that, some of the beneficiaries has IC number but no information status so that it cannot be verified.
- Most of them that is 83% were categorised on unidentified.
- Field investigations conducted found one land owner were detected as has dead based on information from Penghulu/ Ketua Kampung and confirmation with the beneficiaries during interview

UNSUCCESSFUL DATA

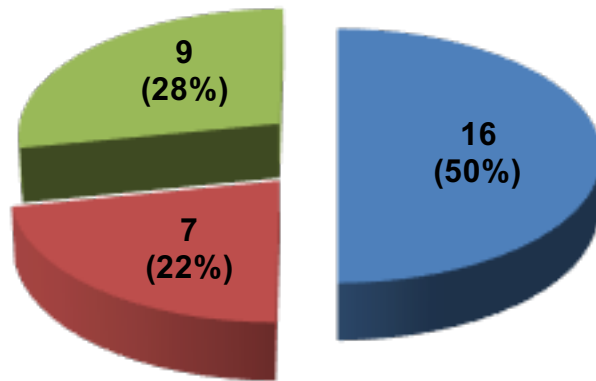
2. Land Owners With Abnormal IC Number



- There were 11 landowners with unusual IC numbers in the data we received from Land Office.
- Jabatan Pendaftaran Negara (JPN) did not confirm the death of any of them.
- However only three (3) land owners were found to be dead based on confirmation from the beneficiaries during fieldwork.
- The status of the remaining eight (8) landowners was unknown.

UNSUCCESSFUL DATA

3. Landowners with No IC Numbers

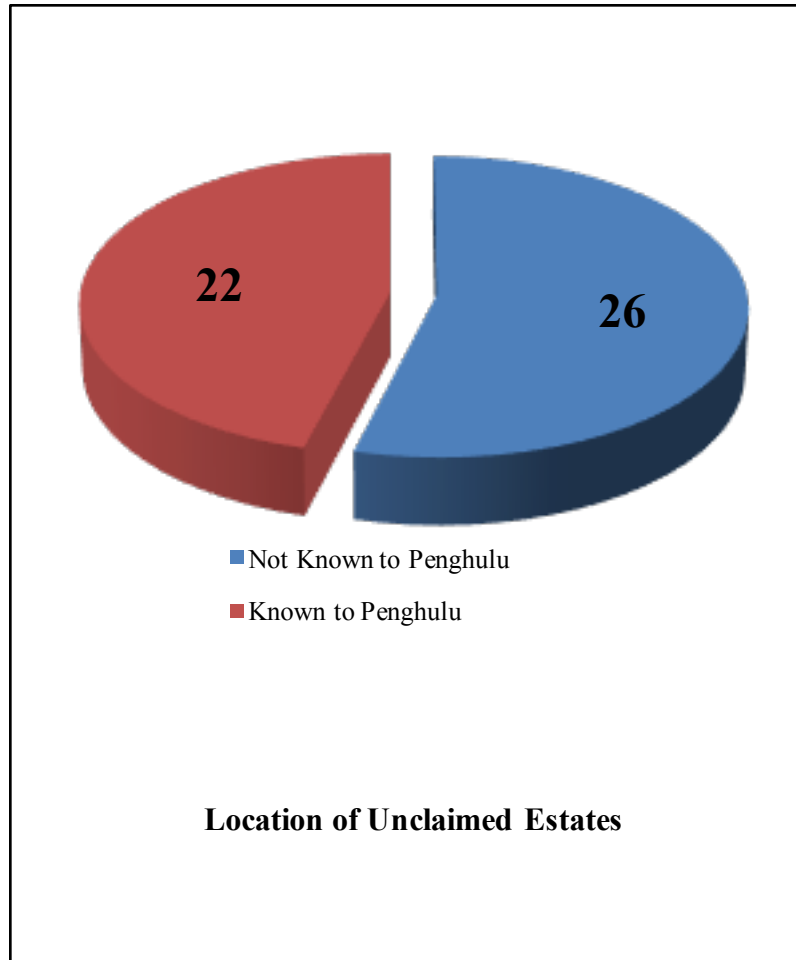


■ Active
■ Dead
■ Unidentified

- Thirty two (32) landowners had no IC Numbers on their grants
- The information from penghulu, ketua kampung and beneficiaries showed 23 landowners were either dead or still active.
- In other words half (50%) landowners were still active.
- The remaining 28% could not be unidentified, while 22% were dead.

Unsuccessful Data : ACTION TAKEN

1. Located Through Field Work and Interview



- Identification of land lots based on data obtained from the State Land Office, and investigated through field studies and interviews conducted was possible.
- 22 of a total of 48 lots were not available to the penghulu offices

Unsuccessful Data : ACTION TAKEN

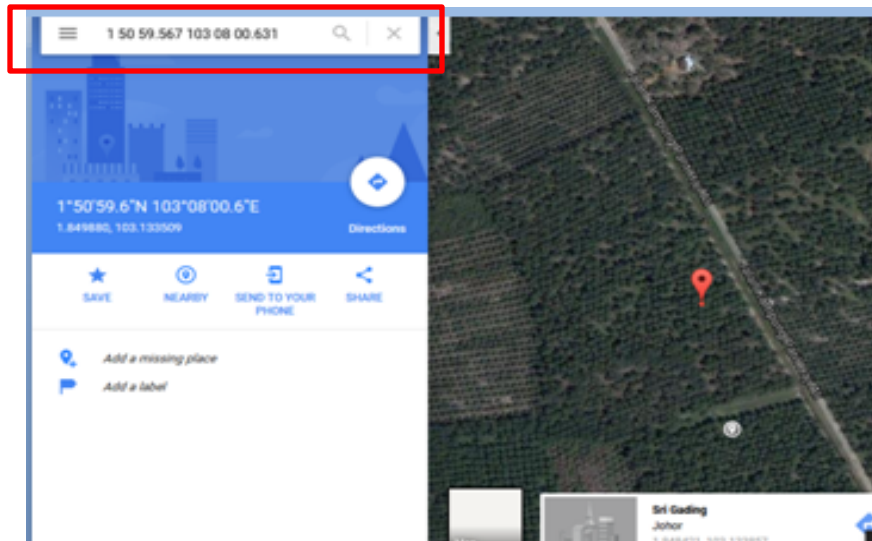
2. Land Lots Located Through JUPEM and GPS Coordinates

- Location of 26 land lots, which were not known to the headman and village leaders, was identified through the data from JUPEM.
- However, only 23 estates were successfully located using this technique;
- The other 3 lots could not be identified because of the absence of complete data.

No	District	Mukim	Lot Number	Name	Address	JUPEM Data identified by Google map coordinates
1	Batu Pahat	Sri Gading	2928	Muhamm ad Amin Bin Abd Rahman	No Address	1 50 59.567 103 08 00.631
2	Batu Pahat	Sri Gading	11459	Jeriah Binti Ibas	48 Lorong 1a, Air Hitam, Batu Pahat, Johor.	1 51 21.117 103 10 09.372
3	Johor Bahru	Plenton g	36244	Abu Bakar Bin Elias	27 Jln. Anggerik 22 Tmn. Johor Jaya Johor.	S54704.567 E26836.489
4	Johor Bahru	Mukim Pulaui	26483	Abdullah Bin Haron	4 Blok Sibul Taman Bakti Jalan Tasek Utara Johor Bahru	1 29 48.675 103 40 37.777
24	Johor Bahru	Bandar Johor Bahru	63	Yb Tan Sri Ahmad Perang	No Address	Unsuccessful data With No Address
25	Kota Tinggi	Kota Tinggi	5643	Ismail Bin Abd. Kadir	Lot 2472, Jalan Taib, Kota Kecil, Kota Tinggi	Unsuccessful data With wrong Address
26	Muar	Bandar Maharani	13145	Derwish Bin Haji Ismail	No Address	Unsuccessful data With No Address

Unsuccessful Data : ACTION TAKEN

2. Land Lots Located Through JUPEM and GPS Coordinates



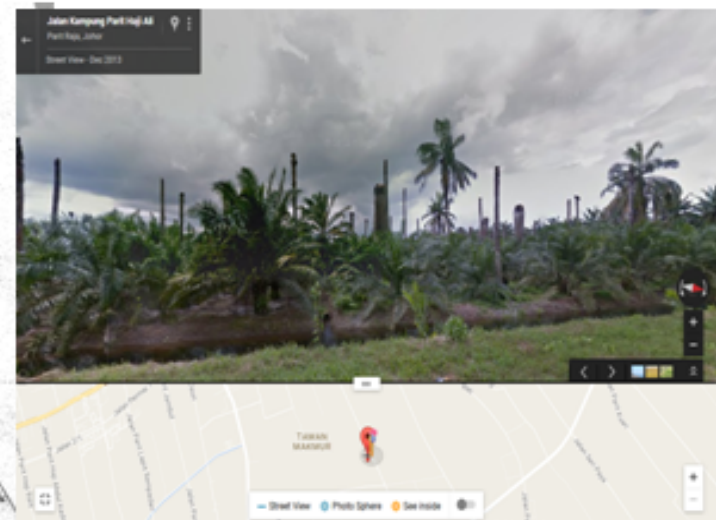
JUPEM DATA (PA) : LOT NUMBER

DATA FROM JOHOR STATE LAND OFFICE

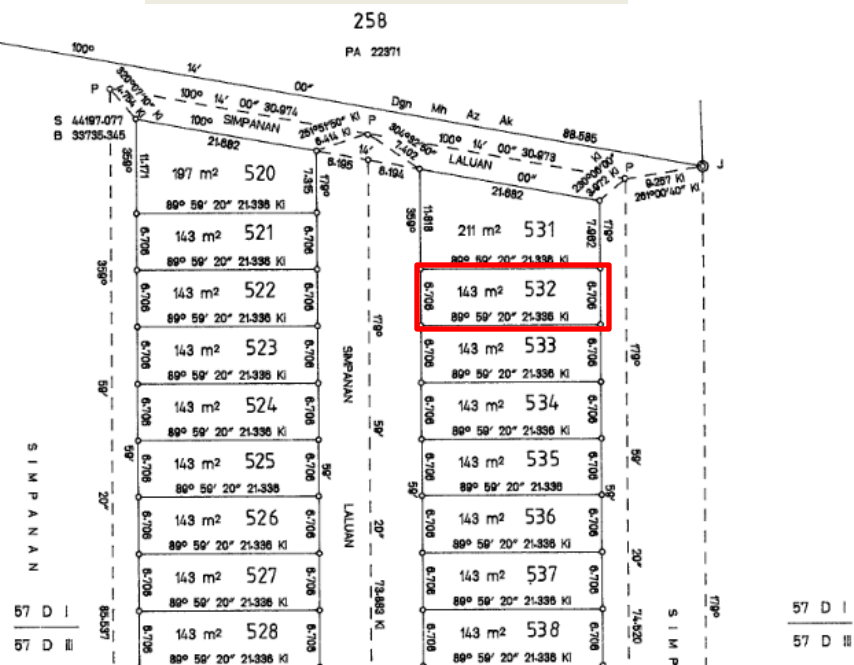
DAERAH	MUKIM	NO LOT	NAMA	ALAMAT
BATU PAHAT	SRI GADING	2928	MUHAMMA D AMIN ABD RAHMAN	TIADA ALAMAT

JUPEM DATA (PA) IDENTIFIED BY GOOGLE MAP

NO LOT	JUEM (PA)	GOOGLE MAP COORDIANATE
2928	PA7144	1 50 59.567 103 08 00.631



JUPEM DATA (PA) : LOT NUMBER



Categories of Unclaimed Estates based on Fieldwork



Discussion

- Majority of the cases were solved through the above four methods: matching IC numbers on grants with that with JPN, fieldwork (enquiry from Penghulu, and JUPEM data.)
- Only nine percent (9%) of the cases remained unsolved.
- Based on the confirmation from Jabatan Pendaftaran Negara (JPN), 48% beneficiaries still alive and 30% were dead.
- The status of others discovered through fieldwork is 21 owners that is 9% living and 4% deceased.
- Our method proved to be **inefficient**. There is still need for investigate further to solve the unsolved cases
- It is suggested that the data from PTG and JUPEM be obtained first before contacting other agencies or parties.

RECOMMENDATIONS AND DISCUSSIONS

The recommendations consist of two main proposals,

1. a short term that should work within the existing legal framework
2. a long-term that may need revision of few relevant laws.



RECOMMENDATIONS AND DISCUSSIONS

Short Term suggestion

Two methods for clearing the backlog and prevention of new cases of unclaimed estates.

(a) *Outsourcing the task*

Any company or consultancy agency can perform the work under scrutiny of the head of the Small Estate.

The outsourced task can consist of getting the data, the data processing, analysing and the fieldwork.

The agency can send the cleared data to the Head of the Small Estate Distribution Unit. He then can take further action as mentioned in section 18 of SEDA and explained below.

RECOMMENDATIONS AND DISCUSSIONS

Short Term suggestion

(b) *In-House Clearing Task Force* (The sooner the better)

The task of this team would be identifying dead landowners, and tracking of their heirs.

For the aforementioned task, an ad hoc taskforce, the number of which is to be decided by the administration, for clearance and prevention of backlog is proposed too.

The Small Estate Distribution unit and other sections of the Land Registries or Land offices need to synchronise their efforts. There is also a need to work with National Registration Department, JUPEM, Penghulu, Amanah Raya, and conduct weekly visits to the areas where the heirs of actual or presumed deceased landowner reside or are known to the residents of the location.

The above proposal is expected to work well within the current legal framework. Section 8 of the Small Estate (Distribution) Act 1955 authorized the SO, the Penghulu and the Corporation (Amanah Raya) as the claimants of the estates.

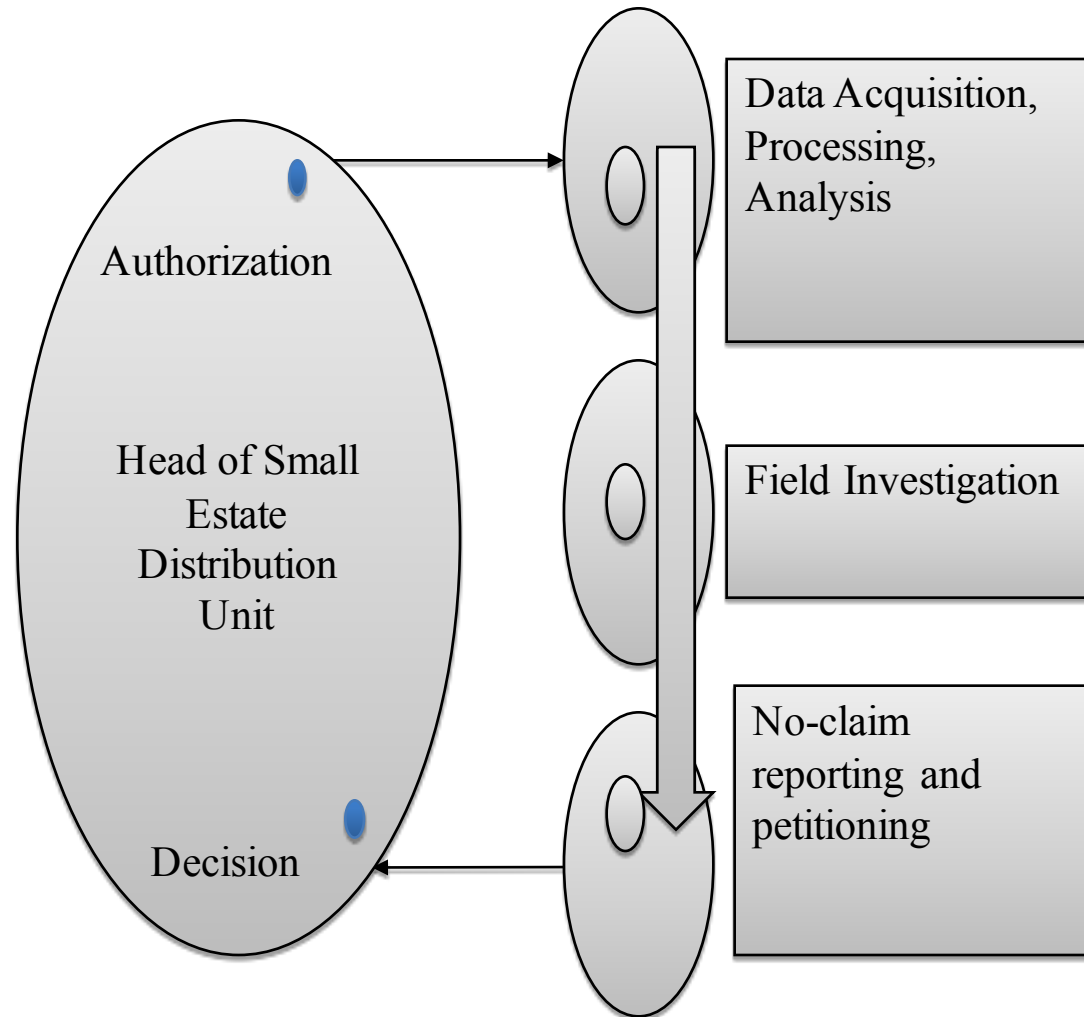
Amanah Raya can be the administrator and can claim estates on behalf of the beneficiaries when there is fear of loss of the estates, under the Public Trust Corporation Act 1992.

RECOMMENDATIONS AND DISCUSSIONS

The Structure of The Task Force

The researcher proposes the following structure for the task force:

1. Leader: The Head of the Small Estate Unit:
2. Data acquisition, process and analysis: 1 officer
3. Field investigation: 1-2 officers
4. No-claim reporting, petitioning and escheatment proceedings: SO/Penghulu/ the Corporation (either of them as the head of the taskforce see it expedient)

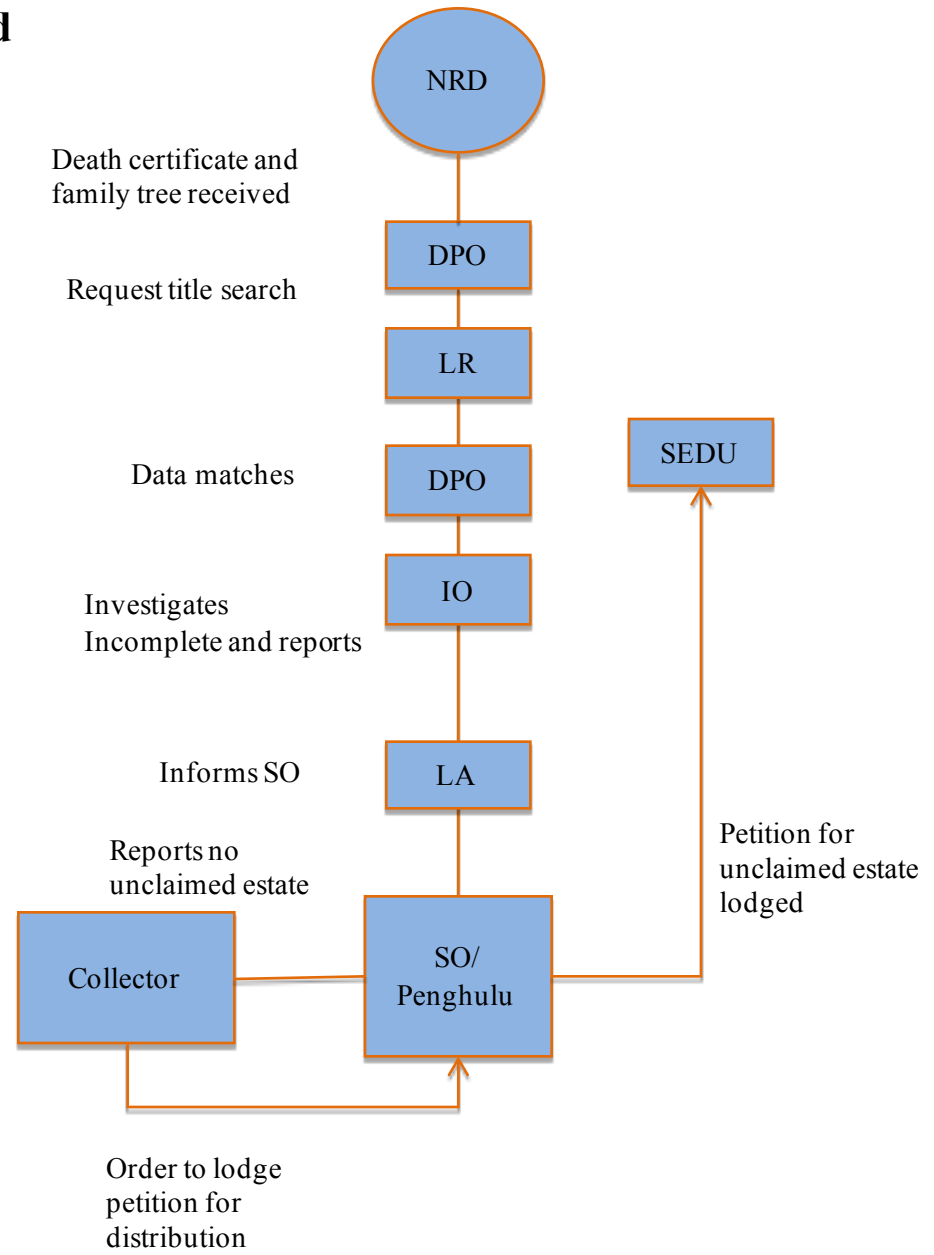


The Structure of the Taskforce

RECOMMENDATIONS AND DISCUSSIONS

Unclaimed Estate Identification and Claiming Process

-
- NRD: National Registration Department
 - DPO: Data Processing Officer
 - LA: Land Administrator
 - SO: Settlement Officer
 - LR: Land Registry
 - SEDU: Small Estate Distribution Unit
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RECOMMENDATIONS AND DISCUSSIONS

Methods of Identifying The Unclaimed Estates

1. Where the task is to clear the backlog, the Small Estate Distribution Unit may request, from time to time, land titles data, stage by stage from the Land Registry. A selected set of data (chosen based on the age of the owner according to the IC No) can be sent to the National Registration Department to confirm the status of the owners as dead or active. The NRD may be asked in case an owner has passed away to provide the family tree of the deceased, with explanation of, if possible, family relations tied by blood and contract (marriage).
2. Where the task is to deal with new cases, the National Registration, on the date fixed for enforcement of a directive to share information on death of citizens, can send regularly the death certificates and family tree to the Small Estate Distribution Unit. This information then can be processed by Data Processing Officer and matched with land Registry data on land titles. The matched data will be subjected to analysis and further investigation if needed.
3. Whether or not the data from NRD is requested, or sent by the same department, it can be processed; and if unclear it can be passed by the DPO to the Investigating officer (IO) for further enquiry.

Thank You

The researchers are grateful to the National Institute of Valuation (INSPEN) for its research grant relating to methods of identifying land titles and beneficiaries relating to unclaimed Muslims estates (NAPREC R&D. R.J13000.7327.4B257).