

Title: Amelia P. Arellano vs. Francisco Pascual and Miguel Pascual

Facts:

Angel N. Pascual Jr. died intestate on January 2, 1999, leaving no descendants or ascendants but leaving his siblings as heirs, including petitioner Amelia P. Arellano (who is incapacitated and represented by her daughters Agnes P. Arellano and Nona P. Arellano), and respondents Francisco Pascual and Miguel N. Pascual.

The respondents filed a petition for judicial settlement of the intestate estate, which included challenging the validity of a Deed of Donation through which the decedent transferred ownership of a parcel of land in Makati to the petitioner. The respondents proposed that the donated property could be considered an advance legitime of the petitioner.

The trial court ruled that while it could not rule on the validity of the Deed of Donation outside of probate proceedings, it held the donation valid for purposes of estate settlement and subject to collation. The court then partitioned the estate, including the donated property.

Petitioner appealed to the Court of Appeals, which upheld the trial court's finding that the property donated to petitioner was subject to collation but ordered a remand for the inclusion of other properties not accounted for in the inventory.

Petitioner further appealed to the Supreme Court, raising several issues including the collation of the donated property and the division of the estate.

Issues:

1. Whether the property donated to petitioner Amelia P. Arellano by the decedent should be considered part of his estate and subject to collation.
2. Whether the respondents, who are collateral relatives of the decedent, are compulsory heirs entitled to legitimes.
3. Whether the decedent's estate should be partitioned equally among the legal intestate heirs.

Court's Decision:

The Supreme Court granted the petition, holding that the donated property is not subject to collation since the decedent left no compulsory heirs. Siblings, who are collateral relatives, are not entitled to legitimes and thus the decedent had the freedom to dispose of all his

properties including through donations. Furthermore, the remaining estate of the decedent should be partitioned equally among the heirs, being siblings, in accordance with Articles 1003 and 1004 of the Civil Code.

#### Doctrine:

The doctrine established in this case is that collation is not required when the decedent has no compulsory heirs since they have no legitimes that need to be protected. Collateral relatives, such as siblings, do not have an entitlement to legitimes.

#### Class Notes:

- Intestate Succession: The rules of intestate succession apply when a person dies without a will, and the distribution of the estate is based on the relations of the heirs to the decedent.
- Compulsory Heirs: Persons that the law compels to be given a part of the decedent's estate, known as "legitimes."
- Collation: The principle under which any gifts or transfers made by the decedent during their lifetime are added back into the estate's value before distribution to ensure equality among heirs.
- Civil Code Articles 1003 and 1004: These provide the guidelines for intestate succession where there are no descendants, ascendants, or a surviving spouse, and dictate that siblings inherit in equal shares.

#### Historical Background:

The case demonstrates the application of intestate succession laws in the Philippines where no direct descendants or ascendants are available to inherit. This is significant in Filipino jurisprudence as it clarifies the rights of collateral heirs (such as siblings) in the absence of direct compulsory heirs, addressing the common scenario of dealing with situations where no will has been left and reiterating the principles of equality and distribution of the estate under intestate succession laws.