

Title: People of the Philippines vs. Hon. Felicidad Carandang Villalon and Federico De Guzman

Facts:

Mariano Carrera and his brother Severo were co-owners of land in Pangasinan. On February 5, 1964, Federico de Guzman allegedly used a falsified special power of attorney (SPA) to mortgage the property for a P8,500 loan from People's Bank and Trust Company. When the loan was unpaid, the bank foreclosed and sold the property. In January 1972, Mariano learned of the sale when ejectment proceedings were initiated.

On March 29, 1974, the prosecution filed Criminal Case No. D-868 against de Guzman for estafa through falsification of a public document. After partial testimonies, the defendant filed a motion to dismiss citing lack of sufficient basis and claiming prescription of the offense. Judge Manuel Castañeda granted the dismissal on January 28, 1976, and his successor, Judge Villalon, denied the prosecution's motion for reconsideration on March 22, 1976.

The prosecution filed a notice of appeal, but the Supreme Court required a petition for review under RA 5440. The Court treated it as a special civil action and reviewed the legal issues involved.

Issues:

1. Whether double jeopardy bars the appeal by the prosecution from the order of dismissal.
2. Whether the charge of estafa through falsification of a public document against de Guzman has legal and factual grounds.
3. Whether the offense charged is already extinguished by prescription.

Court's Decision:

The Supreme Court dismissed the petition, concluding that the charged offense had indeed prescribed. There was no double jeopardy since the order of dismissal was not based on an acquittal or an examination of evidence. The charge of estafa through falsification had legal and factual grounds; however, the prescriptive period began to run from the date of registration of the falsified document in the Registry of Deeds, which was constructive notice to the world. Since the information was filed over ten years after the registration, the offense prescribed.

Doctrine:

The constructive notice doctrine holds that registration in a public registry is notice to the

whole world, and thus the period of prescription for the crime begins from the time of such registration, not the time of discovery by the offended party.

Class Notes:

- Double jeopardy: Does not apply if dismissal is not based on acquittal or merits, is upon defendant's request, or involves a purely legal question.
- Complex crime: Penalty is for the most serious crime in its maximum period (Article 48, RPC).
- Falsification as means to commit estafa: Damage from estafa, not falsification itself.
- Prescription: Correctional penalties prescribe in ten years. For public documents, the period starts from registration date, not discovery (Article 90 and 91, RPC; constructive notice doctrine).

Historical Background:

This case comes at a time when the legal system recognizes that public registration serves as constructive notice, a principle reflected in various rulings such as *People vs. Reyes* and *Armentia vs. Patriarca*. It reinforces the application of the statute of limitations and clarifies the role of registration in determining the start of the prescriptive period for crimes involving falsified documents.