

Title: Surviving Heirs of Alfredo R. Bautista v. Francisco Lindo, et al.

Facts:

Alfredo R. Bautista acquired a free-patent land in Poblacion, Lupon, Davao Oriental in 1983, covered by Original Certificate of Title (OCT) No. (1572) P-6144. On May 30, 1991, he subdivided and sold portions of the property to several vendees, who are the respondents in this case. Consequently, OCT No. (1572) P-6144 was canceled, and Transfer Certificates of Title (TCTs) were issued in favor of the vendees.

On August 5, 1994, Bautista instituted a complaint for repurchase against the respondents in the Regional Trial Court (RTC), Branch 32, Lupon, Davao Oriental, anchored on Section 119 of the Public Land Act. The respondents raised defenses including lack of cause of action, estoppel, prescription, and laches.

While the case was pending, Bautista passed away, leading to his substitution by petitioner Epifania G. Bautista. Some respondents, Francisco and Welhilmina Lindo, settled via a compromise agreement with petitioners and were ordered by the RTC to cede a portion of the property back to Epifania.

Other respondents filed a Motion to Dismiss the complaint on the contention that the RTC lacked jurisdiction since the assessed value of the property was allegedly below the jurisdictional threshold of PHP 20,000.

The RTC dismissed the complaint for lack of jurisdiction. The petitioners sought reconsideration but their motion was denied, leading them to appeal to the Supreme Court under Rule 45.

Issues:

1. Whether the RTC erred in admitting the belated motion to dismiss filed by respondents.
2. Whether the RTC correctly categorized the case as a real action and consequently erred in dismissing it for lack of jurisdiction.

Court's Decision:

The Supreme Court granted the petition, reversing and setting aside the RTC's orders. The Court ruled that the action to enforce the right to repurchase a land subject to a free patent is a civil action incapable of pecuniary estimation, and exclusive jurisdiction is thus with the RTC, regardless of the assessed value of the property.

The Court affirmed that jurisdiction is determined by the allegations in the complaint and the nature of the principal action sought. Since the principal action was for specific performance (enforcing the right to repurchase), it was deemed incapable of pecuniary estimation.

Furthermore, the Court held that even if the assessed value were to be considered, respondents were barred from contesting RTC's jurisdiction due to estoppel by laches, as they had actively participated in the proceedings for nine years.

Doctrine:

The jurisdiction of a court over a case is determined by the allegations in the complaint and the nature of the principal action or remedy sought. An action for specific performance or similar actions to enforce a right granted by law or contract is deemed incapable of pecuniary estimation and is within the exclusive original jurisdiction of Regional Trial Courts.

Class Notes:

Key elements reflecting the scope of jurisdiction in civil actions:

1. Civil actions incapable of pecuniary estimation - an action that does not seek to recover any particular sum of money but seeks enforcement of a contract or a right, such as specific performance.
2. Estoppel by laches - when a party actively participates in the proceedings without raising the issue of jurisdiction, they may be prevented from later contesting it.
3. Rule 45 - Mode of appeal by certiorari to the Supreme Court.

Relevant statutes/provisions applied:

- Commonwealth Act No. 141, Section 119 (Public Land Act).
- Batas Pambansa Blg. 129, Sections 19 and 33 as amended by Republic Act No. 7691.

Historical Background:

This case is set against the backdrop of jurisprudence clarifying the extent of jurisdiction of Regional Trial Courts, particularly over actions involving land acquired under free patents. Section 119 of the Public Land Act affords patent holders a form of protection to reclaim sold lands within five years. The case shows an appeal on the interpretation of jurisdictional rules as applied to property law and the use of actions for specific performance to enforce statutory rights.