

### Title:

Drilon v. Lim: The Constitutionality of Section 187 of the Local Government Code

### Facts:

This case arose when the City of Manila enacted Ordinance No. 7794, otherwise known as the Manila Revenue Code, which was subsequently appealed to the Secretary of Justice, Franklin M. Drilon, by four oil companies and a taxpayer. They contested the ordinance for non-compliance with the procedural requirements for the enactment of tax ordinances as specified in the Local Government Code, as well as for containing provisions contrary to law and public policy.

Secretary Drilon declared the ordinance null and void, prompting the City of Manila to file a petition for certiorari with the Regional Trial Court (RTC) of Manila. The RTC revoked Drilon's resolution, upheld the ordinance, and declared Section 187 of the Local Government Code unconstitutional for bestowing upon the Secretary of Justice control over local governments, contrary to the policy of local autonomy mandated by the Constitution.

The case was escalated to the Supreme Court, following a procedural hiccup regarding non-compliance with Supreme Court Circular 1-88, after which the petition was reinstated due to the importance of the issues involved.

### Issues:

The principal legal issue was the constitutionality of Section 187 of the Local Government Code, specifically whether it vested the Secretary of Justice with control, rather than supervision, over local governments in violation of the Constitution.

### Court's Decision:

The Supreme Court reversed the RTC's decision regarding the unconstitutionality of Section 187, holding that the Secretary of Justice did not exercise control over local governments but merely supervised to ensure compliance with legal and constitutional requirements in the enactment of tax ordinances. The Court found that all procedural requirements for the enactment of the Manila Revenue Code were observed, dismissing claims to the contrary.

### Doctrine:

The Supreme Court reiterated the doctrine of distinction between "control" and "supervision" with respect to the powers of the President over local government units, emphasizing that "control" is the power to alter or replace, while "supervision" merely ensures that the rules are followed.

### Class Notes:

1. **Control vs. Supervision**: Control involves the power to alter, modify, or set aside what a subordinate has done. Supervision means overseeing or ensuring that subordinates perform their duties according to the law, without the power to change or modify those duties.
2. **Constitutionality and Legal Compliance**: The constitutionality or legality of a local government's tax ordinance can be reviewed by the Secretary of Justice, but not its wisdom, necessity, or reasonableness.
3. **Procedural Requirements for Tax Ordinances**: Includes public hearings, notices to interested parties, publication in newspapers of general circulation, and, as applicable, posting in prominent places.
4. **Judicial Review**: Courts have the power to determine the constitutionality of laws and ordinances, with a presumption of constitutionality favoring the law.

### Historical Background:

This case is situated within the broader context of the Philippines' constitutional framework that provides for local autonomy while establishing a system of checks through supervision by higher authorities to ensure legality and constitutionality in local governance. The issue reflects ongoing tensions between central authority and local autonomy, particularly in the enactment and review of local tax measures.