

Title: Spouses Claudio and Carmencita Trayvilla vs. Bernardo Sejas and Juvy Paglinawan

****Facts:****

In 2005, the Spouses Claudio and Carmencita Trayvilla initiated Civil Case No. 4633-2K5 against Bernardo Sejas, alleging that Sejas sold a 434-square meter parcel in Tukuran, Zamboanga del Sur to them in 1982, evidenced by a private handwritten document. They took possession, built a house, and lived there. Sejas later reasserted ownership, prompting the Trayvillas to file for specific performance and damages, and later amended their complaint to include respondent Juvy Paglinawan, alleging Sejas sold the land to her who then secured a new title (TCT T-46,627) in her name. The Trayvillas sought reconveyance, the cancellation of Paglinawan's title, moral damages, and attorney's fees. However, the additional docket fees for the claims in the Amended Complaint were not paid.

Respondents moved to dismiss the case, citing lack of jurisdiction and prescription, which the RTC denied. Upon respondents' motion for reconsideration, emphasizing the real nature of the action which affects the title to and possession of real property and the failure to pay the correct docket fee, the RTC again denied the motion. The respondents escalated the matter to the Court of Appeals (CA) through a Petition for Certiorari, contesting the RTC's orders.

****Issues:****

1. Whether the CA erred in dismissing the complaint due to alleged non-payment of correct docket fees, given the failure to declare the fair market value or stated value of the subject property in the amended complaint.
2. Whether the filing of the amended complaint, which brought new reliefs and causes of action, ousted the trial court of its jurisdiction over the case initially validly attached by virtue of the original complaint for specific performance.

****Court's Decision:****

The Supreme Court affirmed the CA's decision, holding that the RTC did not acquire jurisdiction over the case due to non-payment of the correct docket fees necessitated by the real action nature of the case as described in the Amended Complaint. The Court clarified that while the original action was for specific performance, the subsequent amendment sought reconveyance of property, hence affecting the title to and possession of real property, making it a real action. The litigation, therefore, required the declaration of the fair market value of the involved property for the computation of docket fees, which the petitioners failed to provide.

The Court also addressed the method for determining jurisdiction and assessing docket fees, emphasizing that the fair market value of the property as per current tax declarations or zonal valuation by the BIR, or the stated value of the property in the absence of such, is crucial for this purpose. Since the stated value in the Amended Complaint was only P6,000.00 and no current tax declaration or zonal valuation was presented, the RTC originally did not have jurisdiction over the case.

****Doctrine:****

Jurisdiction over a case is acquired only upon the payment of the prescribed filing and docket fees, which is both mandatory and jurisdictional. The nature of an action, whether it is a real action or an action incapable of pecuniary estimation, determines the jurisdiction of courts and the computation of docket fees.

****Class Notes:****

- Jurisdiction: Determined by the allegations in the complaint, the law at the time of filing, and the relief sought.
- Docket Fees: Essential for court jurisdiction, computed based on the action's nature—real action vs. incapable of pecuniary estimation.
- Real Action: Affects title to or possession of real property, requiring declaration of property's value for docket fee calculation.
- Payment of Docket Fees: Both mandatory and jurisdictional for court's acquisition of the case.
- Amended Complaints: Can alter the nature of the action and jurisdictional requirements based on new claims and the value of the property involved.

****Historical Background:****

The case highlights the pivotal role of docket fees in jurisdictional matters within the Philippine legal system, echoing the principles established in earlier jurisprudence such as *Gochan v. Gochan* and *Manchester Development Corp. v. Court of Appeals*. It underscores the continuing evolution of procedural requirements in litigation, particularly those involving title to or possession of real property, and reinforces the judiciary's mandate to ensure strict compliance with procedural rules to maintain the integrity of legal proceedings.