

TIMOTEO L. DAPNISAN, PLAINTIFF-APPELLANT, VS. MA. FLORA MAY GARCIA AND THE HON. JUDGE MARIA CLARITA TABIN IN HER CAPACITY AS PRESIDING JUDGE, MUNICIPAL TRIAL CIRCUIT COURT IN CI...

Ponente: TIJAM, J.

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TIJAM, J.:

On Appeal[1] before this Court is the October 22, 2012 Decision[2] of the Regional Trial Court, Branch 61, First Judicial Region of Baguio City in Civil Case No. 7612-R, dismissing the Petition for Certiorari[3] filed by herein Plaintiff-Appellant which sought to annul the February 9, 2012 Decision of the Municipal Trial Court in Cities (MTCC), Branch 4 of Baguio City.

The salient facts of the case are as follows:

On April 2, 2001, Plaintiff-Appellant Timoteo L. Dapnisan (Timoteo), as the representative of the SACAY family, filed a case with the DARAB-CAR for the issuance of the Certificate of Land Ownership (CLOA) title over the land of the SACAY family. The case was decided in favor of the SACAY family.

Meanwhile, Private Respondent-Appellee Ma. Flora May Garcia (Flora), appealed the DARAB's decision with the Court of Appeals.

On January 24, 2004, Timoteo and Flora entered into a contract entitled, "Deed of Assignment,"[4] whereby Flora paid a certain amount to Timoteo, in exchange for her rights over a 250 square meter portion of subject land. However, since their transaction failed to materialize, Flora filed a Complaint for Sum of Money before the Office of the the Punong Barangay of Dontogan, Baguio City on May 13, 2011, for the reimbursement of the amount she paid to Timoteo.

During the Barangay proceedings, the parties reached a Compromise Agreement,[5] whereby Timoteo obligated himself to pay the balance of P125,000.00 on installment basis.

Timoteo paid P20,000.00 for the first installment, but failed on the second installment. Flora patiently waited and hoped that Timoteo would pay his obligation. Instead, he wrote a letter[6] dated July 19, 2011 to Flora asking to defer his payment, without asking for the revocation or annulment of their Compromise Agreement.

Due to Timoteo's evident non-compliance to settle his balance, Flora was constrained to file a Small Claims case embodied in a Statement of Claim (Form 1-SCC) with the MTCC of Baguio City pursuant to the Rules of Procedure for Small Claims Cases (A.M. No. 08-8-7-SC),[7] docketed as Small Claims No. SSC-712.[8] The facts in the Statement of Claim, was based on the Compromise Agreement in the amount of P125,000.00 but it was indicated therein that Flora waives any claim beyond P100,000.00.

Summons were served.

Timoteo, however, failed to appear during the scheduled hearings, alleging among others, that the Small Claims

case is premature, since there was no prior demand and barangay conciliation.

On February 9, 2012, Public Respondent Judge Ma. Clarita Casuga Tabin rendered a Decision ordering Timoteo to pay the amount of P100,000.00 to Flora with legal rate of interest.

Dissatisfied, Timoteo filed a Petition for Certiorari with the RTC of Baguio City, which denied the same in its October 22, 2012 Decision, the dispositive portion of which, reads:

“WHEREFORE, the instant Petition is DISMISSED for utter lack of merit. The amount of P15,000.00 is awarded to the private respondent. Cost against petitioner.”

SO ORDERED.”

Unfazed with the RTC's adverse Decision, Timoteo filed this instant Appeal raising the following issues, viz:

I. Whether or not the Municipal Trial Court in Cities has jurisdiction over the claims above P100,000.00 Pesos;

II. Whether or not the Hon. Respondent Judge committed grave abuse of discretion amounting to lack or excess of discretion [sic] amounting to lack or excess of jurisdiction when it did not find out that the case was premature there being no demand issued prior to the filing of the Small Claims Case;

III. Whether or not the Hon. Respondent Judge committed grave abuse of discretion amounting to lack or excess of jurisdiction when it did not find out that the case was premature as there was no resort to barangay conciliation as a condition precedent before the filing of the Complaint.”

The Appeal fails.

We shall discuss the issues in seriatim.

On the first issue:

The MTCC has jurisdiction —

Basic as a hornbook principle is that jurisdiction over the subject matter of a case is conferred by law and determined by the allegations in the complaint which comprise a concise statement of the ultimate facts constituting the plaintiff's cause of action.[9] The nature of an action, as well as which court or body has jurisdiction over it, is determined based on the allegations contained in the complaint of the plaintiff, irrespective of whether or not the plaintiff is entitled to recover upon all or some of the claims asserted therein.[10] The averments in the complaint and the character of the relief sought are the ones to be consulted.[11] Once vested by the allegations in the complaint, jurisdiction also remains vested irrespective of whether or not the plaintiff is entitled to recover upon all or some of the claims asserted therein.[12]

The scope of A.M. No. 08-8-7-SC, as provided under Section 2[13] thereof is clear: it shall govern the procedure in actions before Municipal Trial Courts in Cities, as in this case, for payment of money where the value of the claim does not P100,000.00 exclusive of interest and costs.

In this case, although it is true that the total debt as reflected in their Compromise Agreement was P125,000.00, it is likewise true that in Flora's Statement of Claim, she was only demanding P100,000.00, which amount falls within the jurisdiction of the MTCC as provided in the aforementioned provision. In fact, Flora's penultimate prayer in her Statement of Claim is limited to the recovery of P100,000.00, thus:

“WHEREFORE, plaintiff respectfully prays for the judgment ordering defendant to pay the amount of P100,000 xxx.”

Baguio City, November 25, 2011.”[14]

On the second issue:

Demand is not necessary —

As a rule, demand is required before a party may be considered in default.[15] However, demand by a creditor is not necessary in order that delay may exist when demand would be useless, as when the obligor has rendered it beyond his power to perform.[16]

Here, it is beyond quibble that Timoteo knew about his debt considering that even prior to the Small Claims case, several demands were already made on him which precipitated the filing of the Complaint for sum of money before the Punong Barangay of Dontogan, Baguio City and eventually led to a Compromise Agreement, which Timoteo utterly failed to comply with. Note that in his July 19, 2011 letter to Flora, he never denied his monetary obligation and simply asked for time to pay his debt, ignoring his past and subsequent installments in their Compromise Agreement. Apparently, by this time, demand would have been useless, Timoteo admittedly having failed to pay his obligation.[17]

On the third issue:

Barangay conciliation is not necessary —

Section 4[18] and Section 4 (c)[19] of A.M. No. 08-8-7-SC, provides that A.M. No. 08-8-7-SC applies to all actions which are purely civil in nature where the claim or relief prayed for by the plaintiff is solely for payment or reimbursement of sum of money which include, among others, the enforcement of a barangay amicable settlement or an arbitration award involving a money claim.

Records show that the basis of Flora's Statement of Claim, in the Small Claims case was the Compromise Agreement she entered into with Timoteo. But since the total debt therein was P125,000.00 which is beyond the jurisdiction of the MTCC, Flora waived the excess of P100,000.00 and thus, now within the MTCC's cognizance. Evidently, the Compromise Agreement is in the nature of an amicable settlement, which is mentioned in Section 4 in relation to Section 4 (c) of A.M. No. 08-8-7-SC. Considering the circumstances of this case, this Court cannot subscribe to Timoteo's postulate that the Compromise Agreement be remanded to the Lupon chairman or the pangkat, then elevated again to the MTCC. Otherwise, this would be duplicitous and would defeat the purpose of A.M. No. 08-8-7-SC, on the theory that “ordinary litigation fails to bring practical justice to the parties when the disputed claim is small, because the time and expense required by the ordinary litigation process is so disproportionate to the amount involved that it discourages a just resolution of the dispute”.[20]

Needless to say, this case which started as a simple case of collection for a sum of money would have not taken a bizarre turn were it not for Timoteo's maneuvering to avoid or delay payment of a just and valid debt.

All told, no reversible error was committed by the RTC in rendering the assailed Decision.

WHEREFORE, the Appeal is DENIED. October 22, 2012 Decision[21] of the Regional Trial Court, Branch 61, First Judicial Region of Baguio City in Civil Case No. 7612-R, dismissing the Petition for Certiorari[22] filed by herein Plaintiff-Appellant which sought to annul the February 9, 2012 Decision of the Municipal Trial Court in Cities (MTCC), Branch 4 of Baguio City, is AFFIRMED in toto.

SO ORDERED.

Lopez, M.V., and Garcia-Fernandez, M.V., JJ., concur.

- [1] Rollo, p. 17.
- [2] Rollo, p. 6.
- [3] Not attached in the records but mentioned in the RTC's assailed Decision, Rollo, p. 6.
- [4] Not attached in the records but mentioned in Plaintiff-Appellant's Memorandum, Rollo, p. 17.
- [5] Not attached in the records but mentioned in Respondent-Appellee's Memorandum, Rollo, p. 67.
- [6] Ibid.
- [7] This took effect on October 01, 2008, but Sections 11, 12, 14, 16, 21, and 22 thereof was amended on October 27, 2009.
- [8] Ibid.
- [9] Editha Padlan vs. Elenita Dinglasan and Felicisimo Dinglasan, G.R. No. 180321, March 20, 2013. [Emphasis Supplied.]
- [10] Ibid. (Padlan Case.)
- [11] Fort Bonifacio Development Corporation v. Domingo, G.R. No. 180765, February 27, 2009. [Emphasis Supplied.]
- [12] City of Dumaguete v. Philippine Ports Authority, G.R. No. 168973, August 24, 2011.
- [13] "Section 2. Scope. - This Rule shall govern the procedure in actions before the Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts and Municipal Circuit Trial Courts for payment of money where the value of the claim does not exceed One Hundred Thousand Pesos (P100,000.00) exclusive of interest and costs."
- [14] As mentioned in the RTC's assailed Decision, Rollo, p. 8.
- [15] Republic Act No. 386, Article 1169 (1949).
- [16] Ibid.
- [17] Megaworld Globus Asia, Inc. vs. Mila S. Tanseco, G.R. No. 181206, October 9, 2009; Andre T. Almocera vs. Johnny Ong, G.R. No. 170479, February 18, 2008.
- [18] "Section 4. Applicability - The Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts shall apply this Rule in all actions which are; (a) purely civil in nature where the claim or relief prayed for by the plaintiff is solely for payment or reimbursement of sum of money, and (b) the civil aspect of criminal action, or reserved upon the filing of the criminal action in court, pursuant to Rule of 111 of the Revised Rules of Criminal Procedure xxx"
- [19] "(c) The enforcement of a barangay amicable settlement or an arbitration award involving a money claim covered by this Rule pursuant to Sec. 417 of Republic Act 7160, otherwise known as the Local Government Code of 1991."
- [20] Orbe vs. Judge Manolito Y. Gumarang, A.M. No. MTJ-11-1792, September 26, 2011.
- [21] Rollo, p. 6.
- [22] Not attached in the records but mentioned in the RTC's assailed Decision, Rollo, p6.

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