

BENIGNO C. GUTIERREZ, PLAINTIFF AND APPELLANT, VS. LAUREANO JOSE RUIZ, ET AL., DEFENDANTS AND APPELLEES.

G.R. No. L-7045. May 28, 1954

Ponente: CONCEPCION, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/363c8bf561b1/>

CONCEPCION, J.:

On or about September 14, 1950, Laureano Jose Ruiz instituted, in the Municipal Court of Manila, civil case No. 13038 of said court, against Benigno C. Gutierrez.

In the complaint, Ruiz prayed for judgment:

"(a) Sentencing the defendant to pay to the plaintiff the sum of P2,000, the full amount of the aforequoted promissory note, together with legal interest thereon from March 1, 1950, the date of extra-judicial demand, until fully paid, the same corresponding to the purchase price of the land above-described which should be paid even if the suspensive condition for the payment of the said promissory note is not deemed fulfilled by reason of the alleged facts in paragraph 5 hereof;

"(b) sentencing the defendant to pay to the plaintiff the amount of P700 as consequential damages and the costs of this suit; and

"(c) granting unto the plaintiff such general relief which this Court may deem just and equitable under the above premises." (Pp. 3 and 4, Exhibit A.)

On October 20, 1950, decision was rendered by said court, presided over by Honorable Guillermo Cabrera, Judge reading:

"Upon this case being called for hearing this morning, at 10:10 o'clock, the plaintiff appeared by his attorney. The defendant did not show up, notwithstanding the fact that according to the records of the case, he was duly notified of said hearing, and, upon the application of plaintiff's attorney, said defendant was declared in default.

"On the oral and documentary evidence adduced by the plaintiff in support of the complaint, judgment is hereby rendered for the plaintiff and against the defendant by default, ordering the latter to pay the plaintiff the sum of P2,000, together with legal interest thereon from March 1, 1950 until fully paid, plus the sum of P700 by way of damages, and besides the costs of this suit." (Exhibit B.)

On appeal to the Court of First Instance of Manila— where the case was docketed as civil case No. 12719 of said court—Gutierrez assailed the validity of said decision, upon the ground that the amount involved in the litigation exceeds the jurisdiction of the municipal court, but this pretense was not sustained by the court of first instance, which "declared that the decision of the municipal court in said case No. 13038 had already become final and executory," as alleged in paragraph (4) of the amended complaint of Gutierrez in civil case No. 13614 (of the Court of First Instance of Manila—to which we shall presently refer—and admitted by Ruiz in paragraph (2) of his answer in the same case. Thereafter, Ruiz petitioned for a writ of execution, which was issued by Judge Cabrera and which the Sheriff of Manila sought to enforce, by levying upon several properties of Gutierrez. Hence, on

April 6, 1951, the latter commenced in the Court of First Instance of Manila said civil case No. 13614 thereof, against Ruiz, Judge Cabrera and the Sheriff of Manila. On April 10, 1951, said court issued a writ of preliminary injunction, enjoining the defendants from executing the decision of the Municipal Court in civil case No. 13038. In his amended complaint, dated April 14, 1951, Gutierrez prayed the Court of First Instance of Manila, in said case No. 13614.

"1. To render judgment declaring the judgment of the Municipal Court of the City of Manila, in said Civil Case No. 13038, null and void in that the Municipal Court of the City of Manila does not have jurisdiction over the subject matter of the action;

"2. To render judgment for damages in the amount Five Thousand Pesos (P5,000) against the defendants Laureano Jose Ruiz, Guillermo Cabrera, jointly and severally.

"3. To render judgment against the Sheriff of the City of Manila in the amount of Ten Thousand Pesos (P10,000) plus the amount of One Hundred Pesos (P100) every day from and after April 10, 1951, as damages suffered by the plaintiff herein for the unwarranted and uncalled for refusal of said defendant Sheriff of the City of Manila to obey the writ of preliminary injunction issued in the above entitled case; plaintiff also further prays for costs and for any other relief as this Court may deem just and equitable." (Pp. 6 and 7, Record on Appeal.)

In due course, the court of first instance, presided over by Honorable Demetrio Encarnacion. Judge, rendered a decision in said case No. 13614, the pertinent parts of which read:

"En síntesis, se trata de conseguir un remedio de este juzgado para anular lo actuado por el Juzgado Municipal, presidido entonces por el Hon. Guillermo Cabrera, bajo el fundamento de que la decisión en aquella causa se dictó sin jurisdicción ordinaria bajo la Ley Judicial No. 296 de la República de Filipinas. Según la parte demandante, la jurisdicción del Juzgado Municipal llegaba solamente a P2,000.00 en asuntos civiles, pero habiéndose pedido en la misma demanda P700.00 de daños, además de la cantidad principal y costas, se contiene en la demanda que la acción estaba fuera de la jurisdicción y competencia de dicho Juzgado Municipal. El Juez Cabrera desatendió esta cuestión de jurisdicción y dictó sentencia condenando al demandado, Benigno C. Gutierrez, hoy recurrente en esta acción. Como consta en autos, una vez dictada la sentencia por el Juzgado Municipal el 20 de Octubre de 1950, tal decisión fue apelada por el demandado ante este Juzgado, pero en apelación este Juzgado superior desestimó la cuestión planteada sobre la falta de jurisdicción del Juzgado Municipal en la causa civil No. 12719, sosteniendo la legalidad de la decisión del Juzgado Municipal antedicha y hasta su jurisdicción. Y esta decisión del Juzgado de Primera Instancia de Manila quedó firme.

"Con vista de estos datos, el Juzgado entiende y así opina, que la presente acción carece de base habiendo quedado firme la decisión del Juzgado de Primera Instancia en la causa civil No. 12719, arriba mencionada, dicho se está que esta acción es insostenible. Sería multiplicar litigios y repetir los mismos a pesar de haber pasado al estado de cosa juzgada, como es así el presente litigio. Además, sin necesidad de tocar la cuestión vital, este Juzgado es de opinión que la adición de P700.00 de daños a la suma principal reclamada en la demanda, no afectaba ni podría afectar la jurisdicción y competencia del Juzgado Municipal, porque los daños son accesorios y contingentes y no determinan la jurisdicción de un juzgado.

"Por todo lo expuesto, el Juzgado ordena el sobresimiento de la presente causa, con costas al demandante" (Record on Appeal, pp. 25-26.)

Said case No. 13614 is now before us as case G. R. No. L-7045, on appeal taken by Gutierrez from said decision of Judge Encarnacion.

The first question for determination by this Court is whether or not the municipal court had jurisdiction over the

subject matter of case No. 13038. The pertinent portions of sections 44 and 88 of Republic Act No. 296, otherwise known as the Judiciary Act of 1948, are quoted hereunder:

"SEC. 44. Original jurisdiction.—Courts of First Instance shall have original jurisdiction:

* * * * *

"(c) In all cases in which the demand, exclusive of interest, or the value of the property in controversy, amounts to more than two thousand pesos;"

* * * * *

"SEC. 88 * * * In all civil actions, including those mentioned in Rules 59 and 62 of the Rules of Court, arising in his municipality or city, and not exclusively cognizable by the Court of First Instance, the justice of the peace and the judge of a municipal court shall have exclusive original jurisdiction where the value of the subject-matter or amount of the demand does not exceed two thousand pesos, exclusive of interest and costs. * * *

Referring, particularly, to the Municipal Court of Manila, section 39 of Republic Act No. 409, which is the Revised Charter of the City of Manila, declares, that:

"The municipal court shall have the same jurisdiction in civil and criminal cases and the same incidental powers as at present conferred by law upon the justice of the peace courts except those in conflict with the provisions of this Charter and such additional jurisdiction and powers as may be conferred upon it by this Charter or by special law. * * *." (2nd par., Sec. 39.)

Pursuant to these provisions, the Municipal Court of Manila has the same jurisdiction as justice of the peace courts under Republic Act No. 296. The latter's original jurisdiction, as regards civil cases capable of pecuniary estimation, is limited to those in which "the value of the subject-matter or amount of the demand does not exceed two thousand pesos, exclusive of interest and costs" In the complaint filed in civil case No. 13038 of the municipal court, Ruiz sought to collect the sum of P2,000, with interest thereon from March 1, 1950, plus P700 as consequential damages, and costs. In other words, "the amount of the demand," exclusive of, and in addition to, interest and costs, aggregated P2,700. It is clear, therefore, that the municipal court had no jurisdiction to decide said case on the merits, and that its decision granting said demand is null and void.

The next question for determination is whether the action taken by the court of first instance in case No. 127129, on appeal from said decision of the municipal court, is a bar to the present case. Defendant-appellee, Ruiz, and the decision appealed from, maintain an affirmative answer, upon the ground that the legality of the decision of the municipal court in case No. 13038, had been upheld already in the "decision" of the Court of First Instance of Manila in case-No. 12719; that the latter "decision" has become final and executory; that, consequently, the issue on the legality of the decision of the municipal court has thus been definitely settled; and that it may no longer be determined in the present case under the principle of res adjudicata. This view is untenable for:

(1) In Case No. 12719 of the Court of First Instance of Manila, the same held that the decision of the municipal court had already become final and executory. Accordingly, the former court had no jurisdiction to entertain the appeal. It had no authority, therefore, to pass upon the legality of the decision of the municipal court and any finding made thereon by said court of first instance was null and void. Indeed, it has not been proven that said court had rendered a decision in case No. 12719. And, considering that it found the decision of the municipal court to be final and executory, the court of first instance must have issued merely an order of dismissal of the appeal. This is borne out by the fact that the court of first instance did not pass upon the merits of the claim of Ruiz for P2,700, plus interest and costs. Hence, the writ of execution issued by the municipal court sought to

enforce its own decision, not that of the court of first instance. Had the appeal from the decision of the municipal court been reasonably perfected, however, said decision of the municipal court would have been vacated and the court of first instance would have had to render a new decision, and even if the latter were, in effect, confirmatory of the former, the one to be executed would have been the decision of the court of first instance, not that of the municipal court, which would exist no longer.

(2) If the appeal from the decision of the municipal court had been perfected in due time, the court of first instance would have had no authority over the case except to dismiss the same, for want of jurisdiction of the municipal court, for which reason the court of first instance could not have exercised appellate jurisdiction over the case. This court could not have even exercised its original jurisdiction, inasmuch as Gutierrez had impliedly objected thereto by questioning the legality of the decision of the municipal court. In other words, the decision of the court of first instance, had it rendered one in case No. 12719, sustaining the legality of the decision of the municipal court, would have been as null and void as the latter, for lack of jurisdiction therefor.

Referring now to the claim of plaintiff-appellant, Gutierrez, for damages, the evidence on record does not suffice to warrant a judgment thereon in his favor.

Wherefore, the decision appealed from is hereby reversed and another one shall be entered declaring that the aforementioned decision of the Municipal Court of Manila in Civil Case No. 13038 thereof is null and void, without special pronouncement as to costs.

Paras, C. J., Pablo, Bengzon, Montemayor, Reyes, Jugo, Bautista Angelo, and Labrador, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.