

JAMES PAVON, PETITIONER, VS. PEOPLE OF THE PHILIPPINES, RESPONDENT.

Ponente: DICDICAN, J.

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DICDICAN, J.:

Before us is a Petition for Review[1] filed by petitioner James Pavon (“petitioner”) pursuant to Rule 42 of the 1997 Revised Rules of Court seeking to annul and set aside the Decision[2] rendered by Branch 218 of the Regional Trial Court of the National Capital Judicial Region in Quezon City (“lower court”) on July 5, 2013 in Criminal Cases Nos. GL-Q-12-177756-57 which, inter alia, affirmed with modification the Judgment[3] that was promulgated by Branch 43 of the Metropolitan Trial Court of Quezon City (“MTC”) on June 11, 2012 in Criminal Cases Nos. 121217-18.

The material and relevant facts of the case, as culled from the record, are as follows:

The instant case stemmed from two (2) separate informations that were filed in the MTC against herein petitioner for violation of Batas Pambansa Bilang 22. Upon being arraigned of the charges against him, herein petitioner pleaded not guilty to both charges. Subsequently, a preliminary conference was conducted wherein both parties stipulated on the following matters, to wit:

1. The identity of the petitioner (accused therein); and
2. The jurisdiction of the MTC over the person of herein petitioner, as well as the subject matter of the instant case.

Trial on the merits of said cases ensued thereafter.

During the trial, the prosecution adduced in evidence the lone testimony of the private complainant himself, Lim Yee Tong (“private complainant”). In his testimony, the private complainant stated that he was the proprietor of Intramuros Construction Supply which is engaged in the business of selling hardware materials. During the course of his business, the private complainant averred that herein petitioner purchased construction supplies from him in the total amount of Two Hundred Thousand Pesos (Php200,000.00), for which the petitioner issued in his favor the following two (2) postdated Equitable Bank checks:

- Check No. 0123-097984 dated March 25, 1998 in the amount of Php100,000.00; and
- Check No. 0123-097983 dated March 29, 1998 in the amount of Php100,000.00.

When the aforementioned checks were presented to the drawee bank for payment, however, both checks were dishonored for the reason that the bank account of the petitioner had been closed. In a Letter[4] dated March 1, 2002, the private complainant, through counsel, demanded that herein petitioner pay the amount of the dishonored checks within five (5) days from the receipt of the aforesaid demand letter. However, despite his receipt of the demand letter, the petitioner still failed and refused to pay the said obligation, thereby prompting the private complainant to file a complaint in the MTC against the petitioner for violation of Batas Pambansa Bilang 22.

For his part, the petitioner vehemently denied the private complainant's allegation that he failed and refused to pay the amount representing the dishonored checks to the former. On the contrary, he asseverated that he was able to settle his obligation with Intramuros Construction Supply by issuing forty (40) checks to one Judy Lim, the wife of the private complainant, in the total amount of Three Hundred Thousand Pesos (Php300,000.00). According to the petitioner, the aforementioned checks, which were made "payable to C" or "cash", were issued by him after the two (2) checks which are the subject matter of this case were dishonored pursuant to an agreement with the private complainant that his loan obligation would be restructured. Moreover, the petitioner claimed that the amount of Php300,000.00 included the interest on his principal obligation to the private complainant in the sum of Php200,000.00. Consequently, in view of the payment of the amount of the two (2) checks which were the subject matter of the instant complaint, the petitioner submitted that the said action against him for violation of B.P. 22 must be dismissed.

On June 11, 2012, the MTC rendered a judgment the decretal portion of which reads:

"WHEREFORE, premises considered, this Court finds accused James Pavon, GUILTY beyond reasonable doubt of violation of Batas Pambansa Bilang 22, otherwise known as the Bouncing Checks Law and hereby sentences him to suffer imprisonment of six (6) months for each count. Likewise, he is hereby ordered to pay the private complainant Lim Yee Tong, the amount of Php200,000.00 representing the total value of the subject checks with interest at six (6%) percent per annum reckoned from March 01, 2002, the date of demand until fully paid, and to pay the costs of suit.

"SO ORDERED."

Undaunted by the foregoing disposition of the MTC, the petitioner filed an appeal in the lower court contending that the MTC erred in finding him guilty beyond reasonable doubt of violation of Batas Pambansa Blg. 22 (B.P. Blg. 22). Petitioner insisted in the said appeal that the acceptance by Judy Lim of the forty (40) checks, each in the amount of Seven Thousand Five Hundred Pesos (Php7,500.00), redounded to the benefit of Intramuros Construction Supply in that the said checks were subsequently deposited in the account of the aforementioned business enterprise of the private complainant.

On July 5, 2013, the lower court rendered its assailed decision on appeal the pertinent portion of which states:

"WHEREFORE, finding no cogent reason to reverse the assailed JUDGMENT, the same is hereby AFFIRMED with MODIFICATION that appellant James Pavon hereby:

"(1) Sentenced to pay a FINE equivalent to double the amount of the check involved with subsidiary imprisonment not to exceed six (6) months in each of said cases in the event of insolvency, pursuant to paragraph 2, Article 39 of the Revised Penal Code; and

"(2) Indemnify the private complainant with the total amount of the subject checks plus six percent (6%) interest from date of filing of the informations until the finality of this Decision, the amount of which, inclusive of the interest, is subject to twelve percent (12%) interest per annum until fully paid.

"SO ORDERED."

In affirming with modification the judgment of the MTC, the lower court ratiocinated, to wit:

"Accused in his Appeal insists that his payment to private complainant Lim Yee Tong was given to one named Judy Lim, whom he alleged is the wife of the former. However, the record is devoid of any proof that the accused presented documents evidencing payment nor was it even reflected in the testimonies of the witnesses. One who pleads payment has the burden of proving it."

Hence, the petitioner filed the instant petition for review, raising the lone grave abuse of discretion purportedly committed by the lower court, to wit:

THE REGIONAL TRIAL COURT ERRED IN AFFIRMING AND MODIFYING THE DECISION OF THE METROPOLITAN TRIAL COURT AND IN FINDING THE PETITIONER GUILTY BEYOND REASONABLE DOUBT OF VIOLATION OF BATAS PAMBANSA BILANG 22, OTHERWISE KNOWN AS THE BOUNCING CHECKS LAW.

In sum, the sole issue to be resolved by us in this case is whether or not the lower court erred in finding the petitioner to be guilty beyond reasonable doubt of violation of Batas Pambansa Bilang 22. After a careful and judicious scrutiny of the whole matter, together with the applicable laws and jurisprudence in the premises, we find the instant petition to be bereft of merit.

In the instant petition, the petitioner contended that, as could be seen from the record of the instant case, the private complainant agreed for an extension of the payment of the obligation of the petitioner and even agreed that the same be paid on installment basis. Moreover, the petitioner maintained that the acceptance of the forty (40) checks by Judy Lim, which were subsequently deposited in the account of Intramuros Construction Supply, indicated the willingness on the part of the private complainant to accept his payment. Consequently, the petitioner lamented that to adjudge him to be criminally liable for violation of Batas Pambansa Bilang 22 would constitute unjust enrichment on the part of the private complainant who was already paid the amount of the two (2) dishonored checks, plus interests.

We are not persuaded by the foregoing assertions advanced by the petitioner. The elements of violation of BP 22 are:

- 1) making, drawing and issuing any check to apply on account or for value;
- 2) knowledge of the maker, drawer or issuer that at the time of issue he does not have sufficient funds in or credit with the drawee bank for the payment of the check in full upon its presentment; and
- 3) subsequent dishonor of the check by the drawee bank for insufficiency of funds or credit, or dishonor of the check for the same reason had not the drawer, without any valid cause, ordered the bank to stop payment.[5]

Petitioner categorically admits the fact of issuance of the checks and their dishonor, the first and third elements of B.P. 22. He had likewise failed to rebut the statutory presumption of knowledge of insufficient funds, the second element, which attaches if the check is presented and dishonored within ninety (90) days from its issuance.[6] While petitioner alleged to have paid the private complainant the amount of the checks, plus interest, he failed to specify if he had done so within five (5) banking days from receiving notice of the checks' dishonor and to present any evidence of such payment. Moreover, the petitioner, while he claimed that he had paid Judy Lim, the wife of the private complainant, a total of forty (40) checks in order to settle his obligation to Intramuros Construction Supply, he nonetheless failed to present any evidence to support this claim apart from his self-serving allegations.

At any rate, the gravamen of the offense punished by B.P. 22 is the act of making and issuing a worthless check or a check that is dishonored upon its presentation for payment. It is not the non-payment of an obligation which the law punishes. The law is not intended or designed to coerce a debtor to pay his debt. The thrust of the law is to prohibit, under pain of penal sanctions, the making of worthless checks and putting them in circulation. Because of its deleterious effects on the public interest, the practice is proscribed by law. The law punishes the act not as an offense against property, but an offense against public order.[7] Thus, as the lower court aptly found:

“As correctly observed by the lower court, issuance of new checks as payment or replacement of the two

checks subject of the case were made between 20 March 2000 and 30 April 2000. It is clear therefore that accused did not comply with the requirement of making good of his checks within five (5) banking days after receiving notice that such check has not been paid by the drawee bank. If indeed the alleged payment took place, which was not proven, Accused made payment only fifteen (15) days after the notice of dishonor, or fifteen days late.”

At this juncture, it is not amiss to point out that the instant petition that was filed by herein petitioner hinges heavily on the factual findings and appreciation of evidence of both the MTC and the lower court as regards his criminal liability to herein private complainant. Generally accepted is the principle that factual findings and conclusions of the trial court are entitled to great weight and are generally not disturbed on appeal, considering that it had the opportunity to observe the demeanor of the witnesses and assess their credibility[8].

In this regard, as it does not appear that the trial court overlooked or misinterpreted some significant fact and circumstance which, if properly appreciated, can alter the outcome of the case, this Court sustains the said rule on trial court’s findings[9]. Here, we do not find any strong and compelling reason to depart from the said rule.

WHEREFORE, in view of the foregoing premises, judgment is hereby rendered by us DENYING the instant petition. The Decision rendered by Branch 218 of the Regional Trial Court of the National Capital Judicial Region in Quezon City on July 5, 2013 in Criminal Cases Nos. GL-Q-12-177756-57 is hereby AFFIRMED in toto.

SO ORDERED.

Elbinias and Paredes, JJ., concur.

[1] Rollo, pages 12-22.

[2] Ibid, pages 51-55.

[3] Ibid, pages 32-35.

[4] Ibid, page 28.

[5] Josef v. People of the Philippines, G.R. No. 146424, November 18, 2005.

[6] Ibid.

[7] Medalla v. Laxa, G.R. No. 193362, January 18, 2012.

[8] People v. Aytalin, G.R. No. 134138, June 21, 2001.

[9] Cervantes v. Court of Appeals, G.R. No. 146050, September 27, 2006.

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