

PEOPLE OF THE PHILIPPINES, PETITIONER, VS. ARTURO F. PACIFICADOR, RESPONDENT.

G.R. No. 139405. March 13, 2001

Ponente: DE LEON, JR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-139405/>

DE LEON, JR., J.:

Before us is a petition for review on certiorari of the Resolution[1] dated February 3, 1999 of the Sandiganbayan (Fifth Division) granting the Motion for Reconsideration of the Resolution[2] dated October 20, 1998 denying herein respondent's Motion to Dismiss the Information in Criminal Case No. 13044 and the Resolution[3] dated July 23, 1999 which denied petitioner's urgent motion for reconsideration.

On October 27, 1988, herein respondent, Arturo Pacificador y Fullon, and his erstwhile co-accused, Jose T. Marcelo,[4] were charged before the Sandiganbayan with the crime of violation of Republic Act No. 3019, as amended, otherwise known as the Anti-Graft and Corrupt Practices Act, in an Information[5] that reads:

That on or about and during the period from December 6, 1975 to January 6, 1976, in Metro Manila, Philippines, and within the jurisdiction of this Honorable Court, said accused, Arturo Pacificador, then Chairman of the Board of the National Shipyard and Steel Corporation, a government-owned corporation, and therefore, a public officer, and Jose T. Marcelo, Jr., then President of the Philippine Smelters Corporation, a private corporation, conspiring and confederating with one another and with other individuals, did then and there, wilfully, unlawfully and knowingly, and with evident bad faith promote, facilitate, effect and cause the sale, transfer and conveyance by the National Shipyard and Steel Corporation of its ownership and all its titles, rights and interests over parcels of land in Jose Panganiban, Camarines Norte where the Jose Panganiban Smelting Plant is located including all the reclaimed and foreshore areas of about 50 hectares to the Philippine Smelters Corporation by virtue of a contract, the terms and conditions of which are manifestly and grossly disadvantageous to the Government as the consideration thereof is only P85,144.50 while the fair market value thereof at that time was P862,150.00, thereby giving the Philippine Smelters Corporation unwarranted benefits, advantages and profits and causing undue injury, damage and prejudice to the government in the amount of P777,005.50.

After his arraignment, the respondent filed a Motion to Dismiss the Information in Criminal Case No. 13044 on July 15, 1998 on the following grounds:

1)

The court has no jurisdiction since the crime charged had been extinguished by prescription; and

2)

The information does not charge an offense in view of the decision of the Supreme Court in the case of San Mauricio Mining Corporation, et al., vs. Hon. Constante A. Ancheta, et al., G.R. No. L-47859 and L-57132 dated July 10, 1981.

On August 21, 1998 the petitioner filed an Opposition to the Motion to Dismiss.

On November 10, 1998, the Sandiganbayan issued a Resolution denying the Motion to Dismiss the Information ruling that:

The information in this case, dated October 19, 1988, was filed with the Sandiganbayan on October 27, 1988 on which date the existing jurisprudence on matters of prescription of the offense was the ruling enunciated in *Francisco v. Court of Appeals* (May 30, 1983, 122 SCRA 538) to the effect that the filing of the complaint with the fiscal's office also interrupts the period of prescription of the offense.

The offense charged was allegedly committed from December 16, 1975 to January 6, 1976. The running of the period of prescription of the offense may have started on January 6, 1976 but was interrupted by the filing of the complaint with the appropriate investigating body. In the case at bench, We find in the record no proof, or even an allegation, of the precise date of filing of the complaint with the appropriate investigating body which investigated this case, to enable us to determine with certainty if the offense charged have (sic) indeed prescribed.

The second ground submitted by the accused-movant is precipitate at this stage of the proceedings, as it involves a matter of defense.

Thereupon, on December 7, 1998, respondent Pacificador moved for the reconsideration of the Resolution of the Sandiganbayan denying his Motion to Dismiss, contending that:

1)

The prosecution of the crime charged is time-barred by prescription as shown by facts and circumstances on record and of judicial notice; and

2)

It is not precipitate for the Honorable Court to consider the Supreme Court ruling in *San Mauricio Mining Co. vs. Hon. Constante A. Ancheta, et al.*, declaring the basic deed of sale as not illegal and with justly adequate consideration.

On February 3, 1999, the Sandiganbayan reconsidered its Resolution of November 10, 1998 and dismissed the Information in Criminal Case No. 139405 against the respondent on the ground of prescription. It ruled thus:

In Our resolution denying accused Pacificador's Motion to Dismiss, We applied Article 91 of the Revised Penal Code and the doctrine laid down in *Francisco vs. CA* (122 SCRA 538) to the effect that the filing of the complaint with the fiscal's office or investigating body interrupts the running of the period of prescription. This is where We committed an oversight. Instead of applying Act No. 3326, as amended, xxx, We utilized Article 91 of the Revised Penal Code.

In this case, as the offense involved is the violation of R.A. 3019, a special law, it follows that in computing the prescriptive period of the offense, it is not the provision contained in the Revised Penal Code that should govern but that of Act No. 3326. xxx

In *Zaldivia vs. Reyes, Jr.*, (211 SCRA 277), the Supreme Court, in a clear language, held that the proceedings referred to in Section 2 of Act No. 3326 are "judicial proceedings" and do not include administrative proceedings. xxx

The offense imputed on accused was allegedly committed from December 6, 1975 to January 6, 1976. The offense prescribed on January 3, 1986, or ten years from January 6, 1976.

The Urgent Motion for Reconsideration of petitioner was denied by the Sandiganbayan on July 23, 1999.

Hence, the petition.

In its Brief,[6] the petitioner contends that, contrary to the ruling of the Sandiganbayan, the provision of Act No. 3326[7] on prescription of offenses punishable under special laws is not applicable to the instant criminal case for the reason that Republic Act No. 3019 provides for its own prescriptive period. Section 11 thereof provides that offenses committed and punishable under the said law shall prescribe in fifteen (15) years. However, inasmuch as Republic Act No. 3019 does not state exactly when the fifteen-year prescriptive period begins to run, Article 91 of the Revised Penal Code should be applied suppletorily.[8] Article 91 of the Revised Penal Code, which adopts the "discovery rule" for the prescription of offenses, provides:

ART. 91. Computation of prescription of offenses.- The period of prescription shall commence to run from the day on which the crime is discovered by the offended party, the authorities, or their agents, and shall be interrupted by filing of the complaint or information, and shall commence to run again when such proceedings terminate without the accused being convicted or acquitted, or are unjustifiably stopped for any reason not imputable to him.

The term of prescription shall not run when the offender is absent from the Philippine Archipelago.

Petitioner also contends that the crime, subject of this case should be deemed as discovered only on May 13, 1987 when a complaint was filed with the Presidential Commission on Good Government (PCGG) by the then Solicitor General Francisco Chavez. Hence, the filing of the information on October 27, 1988 with the Sandiganbayan was well within the prescriptive period.

Additionally, petitioner contends that the ordinary principles of prescription do not apply in this case for the reason that the respondent effectively concealed his criminal acts which prevented the discovery of the offense until May 13, 1987. Even on the assumption that the registration of the Deed of Sale was on December 29, 1975 when that document was executed by the parties, and thus, amounted to a constructive notice to the whole world of the existence of the said Deed of Sale, the registration thereof could not have given notice of fraudulent acts of the parties to the sale. The situation prevailing at that time, that is, during the authoritarian regime of then President Ferdinand E. Marcos, did not permit the investigative and prosecuting arms of the government to institute complaints against him, his wife and his cronies.

In his Comment,[9] respondent Arturo Pacificador argued that Act No. 3326 governs the prescription of offenses punishable under special laws; that the registration of the Deed of Sale in question is the correct reckoning or starting point for prescription inasmuch as the fact of registration of said Deed of Sale in effect gave notice to the whole world not only of its existence but also of all the facts contained therein; that, aside from the ground of prescription, the Information in Criminal Case No. 13044 should be dismissed on the ground that it does not charge an offense inasmuch as the issue of whether or not the contract of sale was disadvantageous to the government had long been settled in the case of *San Mauricio Mining Co. v. Hon. Constante A. Ancheta, et al.*, [10] and that the dismissal of the criminal case against him by the Sandiganbayan on the ground of prescription is tantamount to acquittal which bars prosecution of the respondent for the same offense under Section 6, Rule 117 of the Rules of Court.

The petition is not impressed with merit.

It has been settled that Section 2 of Act No. 3326 governs the computation of prescription of offenses defined and penalized by special laws. In the case of *People v. Sandiganbayan*, [11] this Court ruled that Section 2 of Act No. 3326 was correctly applied by the anti-graft court in determining the reckoning period for prescription in a case involving the crime of violation of Republic Act No. 3019, as amended. In the fairly recent case of *Presidential Ad Hoc Fact-Finding Committee on Behest Loans v. Desierto*, [12] we categorically ruled that:

Since the law alleged to have been violated, i.e., paragraphs (e) and (g) of Section 3, R.A. No. 3019, as

amended, is a special law, the applicable rule in the computation of the prescriptive period is Section 2 of Act No. 3326, as amended, which provides:

Sec. 2. Prescription should begin to run from the day of the commission of the violation of the law, and if the same be not known at the time, from the discovery thereof and institution of judicial proceedings for its investigation and punishment. (Emphasis ours)

The prescription shall be interrupted when the proceedings are instituted against the guilty person and shall begin to run again if the proceedings are dismissed for reasons not constituting double jeopardy.

This simply means that if the commission of the crime is known, the prescriptive period shall commence to run on the day it was committed.

It can be gleaned from the Information in this case that respondent Pacificador allegedly committed the crime charged "on or about and during the period from December 6, 1975 to January 6, 1976." Section 11 of R.A. No. 3019, as amended by B.P. Blg. 195, provides that the offenses committed under the said statute shall prescribe in fifteen (15) years. It appears however, that prior to the amendment of Section 11 of R.A. No. 3019 by B.P. Blg. 195 which was approved on March 16, 1982, the prescriptive period for offenses punishable under the said statute was only ten (10) years. The longer prescriptive period of fifteen (15) years, as provided in Section 11 of R.A. No. 3019 as amended by B.P. Blg. 195, does not apply in this case for the reason that the amendment, not being favorable to the accused (herein private respondent), cannot be given retroactive effect. Hence, the crime prescribed on January 6, 1986 or ten (10) years from January 6, 1976.

The petitioner, however, vehemently denies having any knowledge of the crime at the time it was allegedly committed by the respondent. It claims that the crime charged in the Information should be deemed as discovered only on May 13, 1987 when the then Solicitor General, Francisco Chavez, filed a complaint with the Presidential Commission on Good Government (PCGG) against the respondent, for violation of the provision of R.A. No. 3019, as amended.

We are not convinced. This Court takes notice of the fact that the subject Deed of Sale dated December 29, 1975 relative to the sale of the parcels of land by the National Steel Corporation to the Philippine Smelters Corporation, was registered shortly thereafter in the Registry of Deeds of the Province of Camarines Norte. Subsequently, the Original Certificate of Title No. 0440 in the name of the National Steel Corporation was cancelled and in lieu thereof Transfer Certificate of Title No. 13060 was issued in the name of the vendee Philippine Smelters Corporation. On February 28, 1977, the Philippine Smelters Corporation even filed an action for quieting of title with the then Court of First Instance of Camarines Norte, docketed therein as Civil Case No. 2882,[13] which case forms the basis for the Sandiganbayan to deduce that the subject Deed of Sale may be deemed registered on the said date, at the latest.[14]

While petitioner may not have knowledge of the alleged crime at the time of its commission, the registration of the subject Deed of Sale with the Registry of Deeds constitutes constructive notice thereof to the whole world including the petitioner. Well entrenched is the jurisprudential rule that registration of deeds in the public real estate registry is a notice thereof to the whole world. The registration is a constructive notice of its contents as well as all interests, legal and equitable, included therein. All persons are charged with the knowledge of what it contains.[15] Hence, even if the period of prescription is reckoned from February 28, 1977, the crime had already prescribed when the Information in this case was filed with the Sandiganbayan on October 27, 1988.

It bears emphasis, as held in a number of cases, that in the interpretation of the law on prescription of crimes, that which is more favorable to the accused is to be adopted.[16] The said legal principle takes into account the nature of the law on prescription of crimes which is an act of amnesty and liberality on the part of the state in favor of the

offender. In the case of *People v. Moran*,^[17] this Court amply discussed the nature of the statute of limitations in criminal cases, as follows:

The statute is not a statute of process, to be scantily and grudgingly applied, but an amnesty, declaring that after a certain time oblivion shall be cast over the offense; that the offender shall be at liberty to return to his country, and resume his immunities as a citizen; and that from henceforth he may cease to preserve the proofs of his innocence, for the proofs of his guilt are blotted out. Hence, it is that statutes of limitation are to be liberally construed in favor of the defendant, not only because such liberality of construction belongs to all acts of amnesty and grace, but because the very existence of the statute is a recognition and notification by the legislature of the fact that time, while it gradually wears out proofs of innocence, has assigned to it fixed and positive periods in which it destroys proofs of guilt.

The instant case should be distinguished from the cases of *People v. Duque*^[18] and *Presidential Ad Hoc Fact-Finding Committee on Behest Loans v. Desierto*^[19] wherein we upheld the view that the prescriptive period started to run only upon the discovery of the illegal nature of the acts constituting the offense. The first case involves the crime of illegal recruitment where the accused, Napoleon Duque, was found to have misrepresented himself to several job applicants as a registered employment agent duly recognized by the Philippine Overseas Employment Agency (POEA). Due to the said misrepresentation of the accused, the applicable prescriptive period began to run not from the time of recruitment of job applicants by the accused but from the time his recruitment activities were ascertained by the complainants and the POEA to have been carried out without any license or authority from the government. The second, or *Desierto* case, which was decided by this Court on October 25, 1999, involves the grant of alleged behest loans by certain government-owned and controlled financial institutions to several individuals and corporations closely associated with the then President Ferdinand E. Marcos and his relatives. It was alleged that the public officials concerned, who were charged in the corresponding Informations, connived or conspired with the beneficiaries of the loans in covering up the anomalous transactions. Under the circumstances, it was impossible for the State, the aggrieved party, to have known the violations of R.A. No. 3019 at the time the questioned transactions were made. The prescriptive period started to run only upon discovery of the alleged illegality of the transactions after the investigations thereon were conducted.

In the case at bar, the petitioner contends that respondent concealed his criminal acts that effectively prevented discovery thereof. The records of this case do not specifically show how the respondent allegedly employed acts that could prevent the discovery of any illegality in the transaction other than the bare assertion of the petitioner. There is also no allegation that the government officials involved in the transactions connived or conspired with respondent Pacificador. The said government officials were not even charged in the instant Information. On the other hand, it was never disputed by the petitioner that the subject Deed of Sale was duly registered with the Registry of Deeds of the Province of Camarines Norte and that the corresponding Transfer Certificate of Title No. 13060 was subsequently issued to the vendee, Philippine Smelters Corporation.^[20]

In view of the foregoing, we do not find it necessary to discuss the other points raised by the respondent in his Comment as additional grounds for the denial of the instant petition.

WHEREFORE, the instant petition is hereby DENIED for lack of merit.

SO ORDERED.

Bellosillo, (Chairman), Mendoza, Quisumbing, and Buena, JJ., concur.

[1] Petition, Annex "A", Rollo, pp. 23-28. (Penned by Justice Minita Chico-Nazario and concurred in by Associate Justices Edilberto Sandoval and Ma. Cristina Cortez-Estrada).

[2] Petition, Annex "O", Rollo, pp. 76-81.

[3] Petition, Annex "B", Rollo, pp. 29-34.

[4] Accused Jose T. Marcelo was discharged from the information pursuant to the Immunity Agreement with the Government dated January 30, 1991 which was approved by the Sandiganbayan in a Resolution promulgated April 10, 1991.

[5] Petition, Annex "M", Rollo, pp. 61-63.

[6] Rollo, pp. 8-21.

[7] Entitled: An Act to Establish Periods of Prescription for Violations Penalized by Special Acts and Municipal Ordinances and to Provide when Prescription Shall Begin to Run.

[8] Article 10 of the Revised Penal Code Provides:

ART. 10. Offenses not subject to the provisions of this Code. - Offenses which are or in the future may be punishable under special laws are not subject to the provisions of this Code. This Code shall be supplementary to such laws, unless the latter should specially provide the contrary.

[9] Rollo, pp. 107-116.

[10] 105 SCRA 371 (1981).

[11] 211 SCRA 241, 246 (1992).

[12] 317 SCRA 272, 296 (1999).

[13] San Mauricio Mining Corporation v. Ancheta, supra, pp. 376-377.

[14] Petition, Annex "B," supra, p. 31.

[15] People v. Reyes, 175 SCRA 597, 604 (1989) citing Legarda and Prieto v. Saleeby, 31 Phil. 590 (1915); Garcia v. Court of Appeals, 95 SCRA 380 (1980), Hongkong and Shanghai Banking Corporation v. Pauli, et al., 161 SCRA 634 (1988).

[16] People v. Parel, 44 Phil. 437, 445 (1923); People v. Yu Hai, 99 Phil. 725, 728 (1956).

[17] 44 Phil. 389, 405 (1923).

[18] 212 SCRA 607 (1992).

[19] Supra, note no. 12.

[20] See note no. 13.

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.