

THE UNITED STATES, PLAINTIFF AND APPELLEE, VS. CAYETANO IBAÑEZ, DEFENDANT AND APPELLANT.

G.R. No. 6421. August 14, 1911

Ponente: JOHNSON, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-6421/>

JOHNSON, J.:

The defendant was accused of the crime of estafa in the Court of First Instance of the Province of Leyte, was found guilty and was sentenced to be imprisoned for a period of two months and one day of arresto mayor, with the accessories of the law, and to pay the costs, under paragraph 5 of article 535, in relation with article 534 of the Penal Code.

From that sentence the defendant appealed and made several assignments of error here.

It appears from the complaint and from the evidence brought to this court that the relation between the defendant and the prosecuting witness, Tan-Chingco, is that of debtor and creditor simply. The evidence discloses no relation of any of the classes of bailments, agency, or of fidelity. The relation is simply that of debtor and creditor. The Spanish courts and Spanish authors seem to be in hopeless conflict upon the question whether or not persons holding the relation of debtor simply may be guilty of the crime of estafa, under paragraph 5 of article 535 of the Penal Code. We are of the opinion and so decide that when the relation is purely that of a debtor and creditor, the debtor can not be held liable for the crime of estafa, under said article, by merely refusing to pay or by denying the indebtedness. Therefore, without discussing or deciding the other questions presented by the appellant, it is hereby ordered that the sentence of the lower court be reversed and that an order be entered dismissing the complaint and absolving the defendant from all liability under the same, with costs de oficio. It is so ordered.

Torres, Mapa, and Moreland, JJ., concur.

CONCURRING

CARSON, J.,

I agree with the disposing portion of the foregoing opinion.

I do not understand that there is any conflict of authority either in Spain or in the United States as to the non-liability of a debtor to imprisonment for failure to pay his debt, where the relation between himself and his creditor is simply that of debtor and creditor. No Spanish court or author, so far as I am aware, has ever construed the body of Spanish Law now in force in these Islands or which was in force at the time when Spain relinquished its sovereignty to the United States, so as to hold that when the relation is purely that of a debtor and creditor, the debtor may be held liable for the crime of estafa or any other crime, by merely failing or refusing to pay the indebtedness.

The conflict of Spanish authority appears to be limited to the question whether a debtor may be held guilty of the crime of estafa, who knowingly, maliciously and for the purpose of gain (*con animo de lucro*), falsely denies the existence of his debt.

This, of course, is a wholly different matter from a refusal or failure to pay the debt.

The Supreme Court of Spain has uniformly held that such a denial constitutes one of the offenses defined and penalized in the chapter of the Penal Code which deals with estafa. Viada, Pacheco and other Spanish authors vigorously contend that the provisions of that chapter of the code defining the crime of estafa are not broad enough to include the false denial of the existence of a debt. "Much may be said on both sides of the contention;" but construing these provisions of the Penal Code with that strictness with which American courts have always held themselves bound to construe penal statutes generally, I think that this court is justified in departing from the doctrine laid down by the supreme court of Spain, and in holding that the false denial by a debtor of the existence of a debt contracted by him, even when such a denial is knowingly false, malicious and made "*con animo de lucro*" does not constitute the crime of estafa, defined and penalized in the code.

This, as I understand it, is the real question involved in this appeal.

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.