Title: Dewara vs. Lamela, G.R. No. 174099

Facts:

- Eduardo Dewara and Elenita Magallanes Dewara were married before the enactment of the Family Code, governed by the Civil Code.
- Separated-in-fact, Elenita worked in the USA, Eduardo stayed in Bacolod City.
- On January 20, 1985, Eduardo, driving a jeep registered in Elenita's name, hit Ronnie Lamela, leading to a criminal case.
- The MTCC found Eduardo guilty of serious physical injuries through reckless imprudence, sentencing him to imprisonment and ordering him to pay civil indemnity and damages. The RTC affirmed this, and it became final.
- Execution of civil liability was unsatisfied as Eduardo had no property, leading Ronnie to request the City Sheriff, Stenile Alvero, to levy on Lot No. 234-C, under TCT No. T-80054, in Elenita's name.
- Ronnie and wife Gina Lamela acquired the lot through a public auction when no other buyers appeared.
- Elenita, via Ferdinand Magallanes, filed for annulment of sale and damages, claiming the lot was her paraphernal property and she received no notice of execution sale.
- Respondents argued it was conjugal property acquired during marriage.

Procedural Posture:

- The RTC ruled in favor of Elenita, deeming the property paraphernal, voiding the levy and auction.
- The CA reversed this, ruling the property conjugal, hence subject to execution for Eduardo's liabilities.
- Elenita petitioned for review on certiorari before the Supreme Court.

Issues:

- 1. Whether the subject property is paraphernal (exclusive) or conjugal property.
- 2. If conjugal, can it be levied to satisfy personal liabilities of one spouse, particularly Eduardo's civil liabilities post-criminal conviction?

Court's Decision:

- **Issue 1**: The Supreme Court held it was conjugal property, as property acquired during marriage is presumed conjugal unless proven otherwise by clear evidence. Elenita's claims of the property being acquired through a donation in disguise were insufficiently substantiated.

- **Issue 2**: Despite being conjugal, such property can't automatically satisfy one spouse's civil liabilities unless they benefit the partnership or fall within Article 161 and 163 of the Civil Code.

Doctrine:

- **Conjugal Presumption**: Property acquired during marriage is presumed conjugal unless there's clear, categorical, and convincing proof of exclusive ownership (Civil Code, Art. 160).
- **Liability of Conjugal Property**: Conjugal property may cover individual spouse liabilities under specific conditions outlined in the Civil Code (Arts. 161 and 163), particularly after partnership responsibilities are satisfied.

Class Notes:

- **Conjugal Property**: Presumed unless proven exclusive (Art. 160).
- **Execution Against Conjugal Property**: Subordinated to responsibilities in Art. 161 before debts of individual liability (Art. 163).
- **Court Rulings**: Emphasizes substantial evidence over mere assertion for claims of paraphernal property.
- **Indemnity & Fines**: Cannot charge conjugal properties unless the specified conditions are met.

Historical Background:

- Reflects interpretations under the previous Civil Code marital property regime, contrasting current dispositions under the Family Code.
- Relates to enforcement of civil liabilities from criminal acts within the family law context, illuminating conjugal versus paraphernal notoriety in pre-Family Code marriages.