THIRD DIVISION

[G.R. No. 238104, February 27, 2019]

ODELON ALVAREZ MIRANDA, PETITIONER, VS. SOCIAL SECURITY COMMISSION AND SOCIAL SECURITY SYSTEM, REPRESENTED BY CARINA L. CATAHAN, RESPONDENTS.

D E C I S I O N

PERALTA, J.:

Assailed in the present petition for review on *certiorari* under Rule 45 of the Rules of Court are the Decision[1] dated November 20, 2017 and the Resolution[2] dated March 12, 2018 issued by the Court of Appeals (CA) in CA-G.R. SP No. 151522.

The factual and procedural antecedents of the case are as follows:

On July 20, 2006, herein respondent Social Security System (*SSS*), through its duly authorized representative, Carina L. Catahan, filed before co-respondent Social Security Commission (*SSC*) a Petition[3] for collection of unpaid SSS contributions and penalties against Onise Marketing (Onise) and herein petitioner Odelon Alvarez Miranda (*Miranda*). The Petition was docketed as SSC Case No. 7-16922-06.

In its Petition, SSS alleged that: Onise is an employer which is registered with SSS and that Miranda is the Manager/Owner of Onise; Onise and Miranda are liable for violation of Section 22, paragraphs (a), (c) and (d) of Republic Act (RA) No. 1161, otherwise known as "The Social Security Act of 1954," as amended by RA No. 8282, for having failed to remit the SSS contributions of their employees, as well as penalty liabilities, for the period between February 2002 and March 2006, in the total amount of P113,896.26, subject to final computation upon reconciliation of the correct premium contributions paid, if any. SSS prayed that "after due hearing a Warrant be issued to the Sheriff of the Honorable Commission, commanding him to levy upon and sell any real and/or personal property of [Onise and Miranda] wherever said property or properties may be found, and to garnish their bank accounts sufficient to satisfy [their] total amount of Contributions and Penalty liabilities to Social Security System."[4]

In its Order[5] dated February 5, 2007, the SSC declared Onise and Miranda in default for their failure to timely file their answer.

On April 24, 2013, the SSC issued a Resolution[6] with the following dispositive portion:

> WHEREFORE, this Commission finds and so holds respondents Onise Marketing and Odelon A. Miranda, as Owner/Manager, liable for the balance of the unpaid SS contributions for the period February 2002 to March 2006 (not inclusive) in the amount of P16,659.00 and the 3% per

month penalties thereon computed at P44,137.58, or the total amount of P60,796.58 as of March 15, 2013, plus the additional penalties accruing after the aforesaid date until fully paid, pursuant to Sections 18, 19 and 22(a) of R.A. 8282 of the SS Act of 1997.

Accordingly, said respondents are ordered to pay the SSS the aforementioned liability within thirty (30) days from receipt hereof.

This is without prejudice to the right of the SSS to file other appropriate actions against the respondents.

SO ORDERED.[7]

The SSC held that:

> After a perusal of the records of the case, this Commission notes that despite the declaration of default against them, x x x Onise Marketing and Odelon A. Miranda made partial payments to cover their obligation to the SSS and receipt of said payments were acknowledged by the [respondent SSS] as rei1ected in its files. Likewise, part of [Onise and Miranda's] penalty liability was condoned in view of payments made, leaving a balance of P60,796.58, broken down into the contributions delinquency of P16,659.00 and the penalty liability of P44,137.58 based on the revised statement of liabilities detailing the same.
>
> There is no question as to [Onise and Miranda's] liability for SS contributions and penalties under the SS Law, the amount of which the latter did not contest. On the other hand, [Onise and Miranda's] act of paying part of their obligation is a tacit admission of their liabilities as employer under the SS Law.[8]

Subsequently, the SSC issued a Writ of Execution[9] on July 15, 2015 and a Notice of Garnishment[10] on February 26, 2016.

On June 21, 2016, Miranda filed an Urgent Motion to Annul the Resolution elated April 24, 2013 and to Quash the Writ of Execution dated July 15, 2015 on the ground that the SSC did not acquire jurisdiction over his person. Miranda alleged that he has not, at any time, received any summons, notices or other legal processes, including the above-mentioned Order, Resolution, Writ of Execution and Notice of Garnishment issued by the SSS.[11]

In its Order[12] of August 10, 2016, the SSC denied Miranda's urgent Motion for lack of merit. The SSC ruled that it properly acquired jurisdiction over the person of Miranda on the ground that the Summons dated August 3, 2006, as well as a copy of the Petition filed by the SSS, was served upon and personally received by him. The SSC also reiterated its previous finding that, instead of moving for the lifting of the order of default against them, Onise and Miranda made partial payments of their obligation and even availed of the benefits of condonation under the law. Moreover, the SSC held that Onise and Miranda should be faulted for not receiving the subsequent Orders issued by the SSS because they failed to inform the latter of a change in their address on record. Lastly, the SSe ruled that there is no merit in

Miranda's insistence that he was enoneously impleaded in the instant case because it is clear from the records of the SSS the he is the owner/manager of On Miranda filed a Motion for Reconsideration, but the SSC denied it in its Order[13] dated January 25, 2017.

Miranda then filed with the CA a petition[14] for *certiorari* and prohibition, under Rule 65 of the Rules of Court, against herein respondents, seeking to annul and set aside the August 10, 2016 Order, as well as the January 25, 2017 Order and the April 24, 2013 Resolution of the SSC.

On November 20, 2017, the CA promulgated its assailed Decision, disposing as follows:

> WHEREFORE, the Petition is PARTLY GRANTED. The Order dated August 10, 2016 and the Resolution dated January 25, 2017 are ANNULLED and SET ASIDE, but only in so far as these deny the Motion to Quash the Writ of Execution dated July 15, 2016 in SSC Case No. 7-16922-06, which is hereby SET ASIDE.[15]

The CA held that Miranda belatedly filed his Motion for Reconsideration of the August 10, 2016 Order of the SSC. As such, the questioned Order has become final and executory. Nonetheless, the CA held that the April 24, 2013 Resolution of the SSC did not attain finality and its execution was irregular and void on the ground that the SSS and the SSC failed to present evidence to prove that there was valid service of the said Order to Miranda and Onise or to their counsel.

Miranda filed a Motion for Partial Reconsideration, but the CA denied it in its Resolution dated March 12, 2018.

Hence, the present petition for review on *certiorari* based on the following grounds:

A

> THE APPELLATE COURT COMMITTED SERIOUS ERROR OF LAW AMOUNTING TO GRAVE ABUSE OF DISCRETION IN PARTLY GRANTING ONLY THE PETITIONER'S PETITION FOR CERTIORARI AND PROHIBITION AND IN DENYING THE MOTION FOR PARTIAL RECONSIDERATION OF THE ASSAILED DECISION DATED NOVEMBER 20, 2017.

B

> THE APPELLATE COURT COMMITTED SERIOUS ERROR OF LAW AMOUNTING TO GRAVE ABUSE OF DISCRETION IN FAILING TO APPLY THE RULES ON THE LIBERAL CONSTRUCTION OF THE RULES.[16]

Petitioner Miranda's basic contention is that the questioned rulings of the SSC are not binding upon him because the SSC never acquired jurisdiction over his person. Petitioner alleges that he never received summons and notices in connection with the proceedings in the petition for collection of unpaid contributions and penalties filed by the SSS against him and Onise and that he only came to know of the case

when he received a letter from his bank notifying him that his deposit in the said bank is subject to a Notice of Garnishment issued by the SSC.

The petition lacks merit for reasons to be discussed hereunder.

At the outset, the issue of whether or not petitioner indeed received summons and other legal processes is a question of fact and it is settled that the Supreme Court is not a trier of facts.[17] Just as well entrenched is the doctrine that pure issues of fact may not be the proper subject of appeal by *certiorari* under Rule 45 of the Revised Rules of Court as this mode of appeal is generally confined to questions of law.[18] While there are several recognized exceptions to this doctrine,[19] the Court finds that none applies to the instant case.

In addition, respondent SSC, in the exercise of its quasi-judicial functions, found that it had properly acquired jurisdiction over the person of petitioner. In its Order of August 10, 2016, it held, thus:

> It is clear from the records, particularly the Proof of Service and the Sheriff's Return of Service dated August 25, 2006, that the Summons dated August 3, 2006 was served upon and personally received on August 25, 2006 by respondent Odelon Miranda, Owner/Manager of Onise Marketing. Since there was proper service of Summons, the Commission had properly acquired jurisdiction over the person of respondent Odelon Miranda. Likewise, because of the valid service of Summons with a copy of the Petition. suffice it to state that the requirements of due process had been met contrary to the claim of movant [herein petitioner].[20]

Settled is the rule that findings of fact of administrative agencies and quasi-judicial bodies, if supported by substantial evidence, are accorded not only respect but finality, especially when affirmed by the Court of Appeals.[21] Moreover, aside from their blanket denial that they received summons and other legal processes from the SSC, petitioner and Onise did not present evidence to prove such denial. Thus, the Court finds no cogent reason to depart from the findings of the SSC that it had, indeed, validly acquired jurisdiction over the person of petitioner and Onise.

Moreover, the SSC found that, based on its records, petitioner received the SSC's Order dated February 5, 2007 declaring him and Onise in default for their failure to file their answer within the prescribed period given them.[22] Furthermore, the SSC likewise noted that during the pendency of petitioner's case before it, petitioner and Onise "made partial payments for their obligation and in fact were able to enjoy condonation of penalty pursuant to Republic Act 9903 (Social Security Condonation Law of 2009)[.]"[23] These payments were found by SSC to have been made in August and September 2007.[24] Again, aside from his blanket denial, petitioner never sufficiently refuted these findings. Hence, the Court agrees with the conclusion of respondents that these instances belie petitioner's claim that he only learned of the case against him when he received a letter from his bank which notified him of the garnishment of his deposit with the said bank. On the contrary, the only logical conclusion that can be reached, on the basis of petitioner and Onise's act of making partial payments, is that they are aware of the case filed by the SSS against them.

The Court, at this stage, takes exception to the ruling of the CA that there was no valid and effective service of the April 24, 2013 Resolution of the SSC which found petitioner and Onise liable. The Court, likewise, does not agree with the CA that the said Resolution may not be the subject of a writ of execution on the ground that it never became final and executory.

The basis of the above ruling of the CA is its finding that "there is nothing in the record[s] to prove that personal service on petitioner was completed, or that the Order dated April 24, 2013 was served by registered mail on petitioner, and that despite notice by the postmaster, petitioner did not claim or receive that Order."[25]

In the present case, there is no dispute that the Resolution and the Orders of the SSC, subsequent to its Order dated February 5, 2007, were returned with the notation "Moved out" and that petitioner and Onise did not inform the SSC of any change in their address on record. In this regard, the CA, citing the case of *Philemploy Services and Resources, Inc. v. Rodriguez*,[26] held that "[a]n order cannot be deemed to have become final and executory in view of the absence of a valid service, whether personally or via registered mail on the respondent's counsel" and that "[e]nvelopes bearing notations 'return to sender unclaimed' do not constitute proof that notice was sent to the addressee, much less that there was completeness of service."[27]

The Court does not agree.

The settled rule is that the requirement of conclusive proof of receipt of a notice presupposes that the notice is sent to the correct address as indicated in the records of the court.[28] In the instant case, copies of Orders and other legal processes, particularly the SSC's Resolution dated April 24, 2013, were sent to petitioner and Onise's given address, but the copies did not reach them because they had moved therefrom without informing the sse of their new location.

In the case of *Arra Realty Corp., et al. v. Paces Industrial Corp.*,[29] this Court, citing the case of *Philippine Airlines, Inc. v. Heirs of Zamora*,[30] held that the petitioner in the latter case also moved to another address, but failed to file a notice of change of address with the National Labor Relations Commission (*NLRC*). Hence, when a copy of the NLRC decision was sent to said petitioner's address of record via registered mail, the same was returned to sender. In said case, the Court ruled, thus:

> The rule on service by registered mail contemplates two situations: (1) actual service, the completeness of which is determined upon receipt by the addressee of the registered mail; and (2) constructive service, the completeness of which is determined upon expiration of five days from the date the addressee received the first notice of the postmaster. A party who relies on constructive service or who contends that his adversary has received a copy of a final order or judgment upon the expiration of five days from the date the addressee received the first notice sent by the postmaster must prove that the first notice was actually received by the addressee. Such proof requires a certified or sworn copy of the notice given by the postmaster to the addressee.