

## SECOND DIVISION

[ G.R. No. 195054, April 04, 2016 ]

**ATTY. CORAZON CHAVEZ, PETITIONER, VS. RENATO GARCIA  
AND THE OFFICE OF THE OMBUDSMAN, RESPONDENTS.**

### DECISION

**BRION, J.:**

Before the Court is a petition for review on certiorari<sup>[1]</sup> assailing the July 13, 2010<sup>[2]</sup> and January 5, 2011<sup>[3]</sup> resolutions of the Court of Appeals (CA) in CA-G.R. SP No. 114497.

### ANTECEDENTS

Petitioner Atty. Corazon Chavez (*Atty. Chavez*) was the former Register of Deeds of San Juan City.<sup>[4]</sup>

On **March 23, 2007**, respondent Renato Garcia (*Garcia*) filed with the Office of the Ombudsman (*Ombudsman*) a complaint<sup>[5]</sup> against Atty. Chavez for alleged irregularities in the cancellation of Transfer Certificates of Title (*TCTs*) Nos. 11844-R and 11845-R registered in the name of his parents-in-law, Esperanza Corpus and the late Honorato P. Corpus (*Spouses Corpus*).<sup>[6]</sup>

Garcia claimed that on **July 26, 2005**, Atty. Chavez issued TCT Nos. 12172-R and 12173-R<sup>[7]</sup> in the name of Hector P. Corpus (*Hector*), son of the Spouses Corpus. Atty. Chavez issued the new TCTs based on purported deeds of sale executed by the Spouses Corpus and Hector on January 8 and 9, 2002.<sup>[8]</sup>

On **November 16, 2006**, the Regional Trial Court (*RTC*) of San Juan, in a case filed by Garcia's wife and mother-in-law against Hector and Atty. Chavez, voided the deeds of sale for being spurious. The RTC also directed Atty. Chavez to cancel the TCTs issued in favor of Hector and reinstate and issue a new owner's duplicate copy of the TCTs registered in the name of the Spouses Corpus.<sup>[9]</sup>

Garcia also alleged that the sales were not reported to the Bureau of Internal Revenue (*BIR*) and that the capital gains tax and documentary stamp tax were not paid. Consequently, the Certificate Authorizing Registration (*CAR*) of the sales with the Registry of Deeds could not have been issued.<sup>[10]</sup> To prove this allegation, Garcia submitted certifications<sup>[11]</sup> issued by the BIR that no sale between the Spouses Corpus and Hector was reported to their office.

In sum, Garcia claimed that the issuance of the new TCTs without the requisite payment of taxes was not only contrary to law but also prejudicial to the State.<sup>[12]</sup>

In defense,<sup>[13]</sup> Atty. Chavez claimed that she was not in a position to determine the authenticity and due execution of the deeds of sale; that she could only rely on the declaration that they were subscribed and sworn to in the presence of a Notary Public; and that the deeds of sale are public documents presumed to be regularly and duly executed.<sup>[14]</sup>

Contrary to Garcia's allegation, Atty. Chavez maintained that her office issued the new TCTs after all the supporting documents have been submitted, namely: the CAR, the BIR Tax Payment Deposit Slip and the Capital Gains Tax Return.<sup>[15]</sup> Consequently, her office had to cancel the old TCTs and issue the new ones in Hector's name.<sup>[16]</sup>

Lastly, Atty. Chavez posited that since the BIR had no records of the transactions, the CAR submitted to her office *might* have been falsified. Assuming it was falsified, she argued that she could not be held liable because as a Register of Deeds, it is not her duty to determine its intrinsic validity, due execution and authenticity. Only the courts can conduct a foil-blown hearing to decide on such litigious matters.<sup>[17]</sup>

### **THE OMBUDSMAN'S FINDINGS**<sup>[18]</sup>

On September 30, 2008, the Ombudsman found substantial evidence to hold Atty. Chavez administratively liable for Grave Misconduct.<sup>[19]</sup> The Ombudsman held that the issuance of the TCTs without payment of taxes is contrary to the provisions of the National Internal Revenue Code.<sup>[20]</sup>

To support its finding that Atty. Chavez issued the new TCTs without the supporting documents, the Ombudsman gave weight to: **(1) the BIR certifications that the taxes on the alleged sales were not paid**<sup>[21]</sup> and **(2) the RTC decision declaring the deeds of sale null and void**.<sup>[22]</sup> The Ombudsman held that these pieces of evidence proved that Atty. Chavez committed wrongdoing.

While acknowledging that Atty. Chavez submitted as evidence the supporting documents (to prove her claim that she issued the new TCTs only after these documents were submitted), the Ombudsman gave more credence to the BIR certifications and the RTC decision.<sup>[23]</sup>

From these established facts, the Ombudsman concluded that: (1) Atty. Chavez had been remiss in her duties, and thus, should be liable for Grave Misconduct; (2) the government suffered injury equal to the amount of unpaid taxes: Php60,000.00 for capital gains tax and Php15,000.00 for documentary stamp tax;<sup>[24]</sup> and (3) that Atty. Chavez gave unwarranted benefits to Hector when she issued the new TCTs despite the non-payment of taxes.<sup>[25]</sup>

In finding Atty. Chavez liable for Grave Misconduct, the Ombudsman stressed that the quantum of proof that must be satisfied in administrative proceedings is merely **substantial evidence**, which is the amount of relevant evidence a reasonable mind might accept as adequate to support a conclusion.<sup>[26]</sup> In this case, the evidence

presented satisfied the quantum of proof necessary to hold Atty. Chavez liable for Grave Misconduct. Thus,

**WHEREFORE**, in view of the foregoing, respondent **ATTY. CORAZON C. CHAVEZ**, Register of Deeds of San Juan City, is liable for Grave Misconduct and is thus imposed the penalty of **DISMISSAL** from the sendee, including all the accessory penalties of cancellation of eligibility, forfeiture of leave credits and retirement benefits, and disqualification from reemployment in the government service.

Atty. Chavez moved<sup>[27]</sup> but failed to obtain a reconsideration of the Ombudsman's ruling.<sup>[28]</sup> Hence, she filed a petition for review<sup>[29]</sup> with the CA.

The CA dismissed the petition for failure to: (1) state the address of the parties; and (2) attach the affidavit of service and supporting documents. The CA also denied the motion for reconsideration filed by Atty. Chavez.<sup>[30]</sup> Hence, she came to the Court for relief through the present petition.

### **PROCEEDINGS BEFORE THE COURT**

The Court initially denied the petition because it failed to show any reversible error in the assailed CA resolutions. Atty. Chavez's counsel likewise did not indicate his MCLE compliance.<sup>[31]</sup>

Atty. Chavez moved for reconsideration on the grounds that: (1) she is battling a stage 3 cancer, and thus, for humanitarian reasons, she asked that her case be at least given due course and resolved on the merits; (2) her case has merits; (3); the defective filing in the CA was fully explained and (4) her counsel has an updated MCLE compliance.<sup>[32]</sup>

On these bases, the Court granted the motion for reconsideration, reinstated the petition, and required the respondents to file their comments.<sup>[33]</sup>

### **THE PETITION**

Atty. Chavez assails the Ombudsman's findings on the following grounds:

*First*, assuming she erred in relying on the supporting documents submitted by Hector, her error does not constitute grave misconduct. She argues that in grave misconduct, there must be corruption and manifest intent to violate the law or flagrant disregard of established rule. Corruption consists of the act of an official who, contrary to duty, unlawfully and wrongfully uses his station to procure some benefit for himself or for another person.<sup>[34]</sup>

Atty. Chavez points out that the element of corruption was not proven. She insists that while she may have committed a mistake in assuming that the supporting documents were genuine, such mistake was due to inadvertence and may not in any manner be construed as grave misconduct or gross negligence of duty.<sup>[35]</sup>

*Second*, Atty. Chavez maintains that she had the right to rely on the authenticity and due execution of the documents submitted to her office. She underscores that it

is beyond the duty of the Register of Deeds to look into the intrinsic validity of the CAR or the deeds of sale.<sup>[36]</sup>

She cites ample jurisprudence to support her claim that the Register of Deeds can only determine the registrability of the document based on its face and that she has no authority to inquire into the intrinsic validity of the documents based on proof *aliunde*.

She claims that her office receives hundreds of document daily, thus, it would be illogical and burdensome to require her to investigate the due execution and authenticity of all documents submitted to her office. This would result in a logistical nightmare. Thus, the Registry of Deeds could rely on the due execution and authenticity of the documents after they have been signed and subscribed to before a Notary Public.<sup>[37]</sup>

*Finally*, Atty. Chavez submits that her dismissal from the service is too harsh a penalty assuming she committed lapses in her duties. She points out that she had been in public service for twenty-six (26) years and that she had served the government with honesty and integrity. She prays that the Court consider this fact in imposing the appropriate penalty, if any.<sup>[38]</sup>

### **RESPONDENTS' COMMENT**

Garcia refutes Atty. Chavez's good faith reliance on the authenticity and due execution of the supporting documents. He claims that the supporting documents were clearly fraudulent. He also questions how these documents came into Atty. Chavez's possession, and posits that such possession gives rise to the presumption that she forged them or participated in their falsification.<sup>[39]</sup>

Garcia contends that the fact alone that new TCTs were issued without the requisite payment of taxes already constitutes grave misconduct although no evidence was adduced to prove Atty. Chavez received remuneration or benefit from the transaction.<sup>[40]</sup> Thus, Garcia insists that Atty. Garcia's dismissal from the service was commensurate to her grave misconduct.

Garcia also refutes Atty. Chavez's claim that she had served the government with honesty and integrity for twenty-six (26) years. He discloses that the Ombudsman had previously charged Atty. Chavez with plunder in an alleged Php95 Million tax scam against the government.<sup>[41]</sup> On this note, the Court takes judicial notice of the administrative charge that arose from this separate case where the Ombudsman also found Atty. Chavez liable for grave misconduct and dismissed her from the service.<sup>[42]</sup>

The Ombudsman, on the other hand, maintains that Atty. Chavez committed grave misconduct when she relied on the documents submitted by Hector despite the absence of receipts evidencing payment of taxes.<sup>[43]</sup>

The Ombudsman reiterates that the BIR issued certifications showing that no taxes on the purported sales had ever been paid; the failure to collect the tax prejudiced the government in the form of uncollected taxes. Thus, Atty. Chavez committed

corruption, an element of grave misconduct, for unlawfully and wrongfully using her station or character to procure benefit for herself or *another person*, contrary to her duties and the right of the government.<sup>[44]</sup>

The Ombudsman further contends that there was substantial evidence to prove that Atty. Chavez is liable for grave misconduct, namely: (1) Garcia's complaint-affidavit; (2) the BIR certifications proving the nonpayment of taxes; (3) and the RTC decision voiding the fictitious sales. The Ombudsman notes that its investigating officer thoroughly examined these pieces of evidence and deemed them sufficient to substantiate Garcia's allegations.<sup>[45]</sup>

In support of this contention, the Ombudsman invokes Section 27 of Republic Act No. 6770 or *The Ombudsman Act of 1989*, which provides that findings of fact by the Ombudsman when supported by substantial evidence are conclusive.<sup>[46]</sup>

Finally, the Ombudsman notes that grave misconduct is classified as a grave offense, and thus, carries with it the penalty of dismissal from the service.<sup>[47]</sup>

### **ISSUES**

The case confronts the Court with the issues of whether Arty. Chavez committed grave misconduct; and whether the penalty of dismissal from the service was proper.

### **OUR RULING**

We deny the petition.

It is well-settled that findings of fact and conclusions by the Ombudsman are conclusive when supported by ***substantial evidence***. Their factual findings are generally accorded great weight and respect, if not finality by the courts, by reason of their special knowledge and expertise over matters falling under their jurisdiction.<sup>[48]</sup>

In cases filed before administrative or quasi-judicial bodies, a fact may be deemed established if it is supported by substantial evidence.<sup>[49]</sup>

Substantial evidence is defined as such amount of relevant evidence which a reasonable mind might accept as adequate to support a conclusion. It is more than a mere scintilla of evidence. The standard of substantial evidence is satisfied when there is a reasonable ground to believe, based on the evidence submitted, that the respondent is responsible for the misconduct complained of. It need not be overwhelming or preponderant, as is required in an ordinary civil case, or evidence beyond reasonable doubt, as is required in criminal cases, but the evidence must be enough for a reasonable mind to support a conclusion.<sup>[50]</sup>

To reiterate, the Ombudsman relied on two established facts to conclude that Atty. Chavez committed grave misconduct: (1) the RTC decision finding the deeds of sale fictitious and (2) the BIR certifications that the taxes on the purported sales were not paid.