

FIRST DIVISION

[G. R. NO. 166876, March 24, 2006]

ARTEMIO INIEGO,[1] PETITIONER, VS. THE HONORABLE JUDGE GUILLERMO G. PURGANAN, IN HIS OFFICIAL CAPACITY AS PRESIDING JUDGE OF THE REGIONAL TRIAL COURT, BRANCH 42, CITY OF MANILA, AND FOKKER C. SANTOS, RESPONDENTS

D E C I S I O N

CHICO-NAZARIO, J.:

For this Court to grant this petition for review on *certiorari* under Rule 45 of the Rules of Court, petitioner has to persuade us on two engaging questions of law. First, he has to convince us that actions for damages based on quasi-delict are actions that are capable of pecuniary estimation, and therefore would fall under the jurisdiction of the municipal courts if the claim does not exceed the jurisdictional amount of P400,000.00 in Metro Manila. Second, he has to convince us that the moral and exemplary damages claimed by the private respondent should be excluded from the computation of the above-mentioned jurisdictional amount because they arose from a cause of action other than the negligent act of the defendant.

Petitioner urges us to reverse the 28 October 2004 Decision and 26 January 2005 Resolution of the Court of Appeals, Eighth Division, in CA-G.R. SP No. 76206 denying due course to the petition for *certiorari* filed by petitioner under Rule 65, elevating the 21 October 2002 Omnibus Order and the 21 January 2003 Order of the Regional Trial Court (RTC), Branch 42, City of Manila. The dispositive portion of the 28 October 2004 Decision of the Court of Appeals reads:

WHEREFORE, the petition is DENIED DUE COURSE and DISMISSED for lack of merit.^[2]

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

On 1 March 2002, private respondent Fokker Santos filed a complaint for quasi-delict and damages against Jimmy T. Pinion, the driver of a truck involved in a traffic accident, and against petitioner Artemio Iniego, as owner of the said truck and employer of Pinion. The complaint stemmed from a vehicular accident that happened on 11 December 1999, when a freight truck allegedly being driven by Pinion hit private respondent's jitney which private respondent was driving at the time of the accident.

On 24 August 2002, private respondent filed a Motion to Declare defendant in Default allegedly for failure of the latter to file his answer within the final extended period. On 28 August 2002, petitioner filed a Motion to Admit and a Motion to Dismiss the complaint on the ground, among other things, that the RTC has no jurisdiction over the cause of action of the case.

On 21 October 2002, public respondent Judge Guillermo G. Purganan, acting as presiding judge of the RTC, Branch 42, Manila, issued the assailed Omnibus Order denying the Motion to Dismiss of the petitioner and the Motion to Declare Defendant in Default of the private respondent. Pertinent portions of the Omnibus Order and the dispositive portion thereof read:

In his opposition to the motion to declare him in default and his Motion to Admit defendant IÑEGO alleged that he never received the Order dated 12 August 2002. But believing in good faith, without being presumptuous, that his 3rd Motion for additional Time to file or any appropriate [pleading] would be granted, he filed the aforesaid Motion received by the Court on 23 August 2002.

The explanation of defendant IÑEGO has merit. The order dated 12 August 2002 was sent to a wrong address, thus defendant IÑEGO did not receive it. Since it was not received, he was not aware that the court would grant no further extension. The Motion to Admit Motion to Dismiss has to be granted and the Motion to declare Defendant IÑEGO [in default] has to be DENIED.

x x x x

The plaintiff opines that this court has exclusive jurisdiction because the cause of action is the claim for damages, which exceeds P400,000.00. The complaint prays for actual damages in the amount of P40,000.00, moral damages in the amount of P300,000.00, and exemplary damages in the amount of P150,000.00. Excluding attorney's fees in the amount of P50,000.00, the total amount of damages being claimed is P490,000.00.

Proceeding on the assumption that the cause of action is the claim of (sic) for damages in the total amount of P490,000.00, this court has jurisdiction. But is the main cause of action the claim for damages?

This court is of the view that the main cause of action is not the claim for damages but quasi-delict. Damages are being claimed only as a result of the alleged fault or negligence of both defendants under Article 2176 of the Civil Code in the case of defendant Pinion and under Article 2180 also of the Civil Code in the case of defendant Iniego. But since fault or negligence (quasi-delicts) could not be the subject of pecuniary estimation, this court has exclusive jurisdiction.

x x x x

WHEREFORE, *in view of all the foregoing*, the motion to declare defendant Iniego in default and the said defendant's motion to dismiss are denied.^[3]

On 7 November 2002, petitioner filed a Motion for Reconsideration of the Omnibus Order of 21 October 2002. On 21 January 2003, public respondent issued an Order denying petitioner's motion for reconsideration. Pertinent portions of the 21 January 2003 Order are reproduced hereunder:

What this court referred to in its Order sought to be reconsidered as not capable of pecuniary estimation is the CAUSE OF ACTION, which is quasi-delict and NOT the amount of damage prayed for.

x x x x

WHEREFORE, *in view of the foregoing*, the motion for reconsideration is DENIED.^[4]

Petitioner elevated the 21 October 2002 and 21 January 2003 Orders of the RTC to the Court of Appeals on petition for *certiorari* under Rule 65 of the Rules of Court. On 28 October 2004, the Court of Appeals promulgated the assailed Decision, the dispositive portion thereof reads:

WHEREFORE, the petition is DENIED DUE COURSE and dismissed for lack of merit.^[5]

On 22 November 2004, petitioner moved for reconsideration, which was denied by the Court of Appeals on 26 January 2005. Hence, this present petition.

Petitioner claims that actions for damages based on quasi-delict are actions that are *capable* of pecuniary estimation; hence, the jurisdiction in such cases falls upon either the municipal courts (the Municipal Trial Courts, Metropolitan Trial Courts, Municipal Trial Courts In Cities, And Municipal Circuit Trial Courts), or the Regional Trial Courts, depending on the value of the damages claimed.

Petitioner argues further that should this Court find actions for damages capable of pecuniary estimation, then the total amount of damages claimed by the private respondent must exceed P400,000.00 in order that it may fall under the jurisdiction of the RTC. Petitioner asserts, however, that the moral and exemplary damages claimed by private respondent be excluded from the computation of the total amount of damages for jurisdictional purposes because the said moral and exemplary damages arose, not from the quasi-delict, but from the petitioner's refusal to pay the actual damages.

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Actions for damages based on quasi-delicts are primarily and effectively actions for the recovery of a sum of money for the damages suffered because of the defendant's alleged tortious acts, and are therefore capable of pecuniary estimation.

In a recent case,^[6] we did affirm the jurisdiction of a Municipal Circuit Trial Court in actions for damages based on quasi-delict, although the ground used to challenge said jurisdiction was an alleged forum shopping, and not the applicability of Section 19(1) of Batas Pambansa Blg. 129.

According to respondent Judge, what he referred to in his assailed Order as not capable of pecuniary estimation is the cause of action, which is a quasi-delict, and not the amount of damage prayed for.^[7] From this, respondent Judge concluded that since fault or negligence in quasi-delicts cannot be the subject of pecuniary estimation, the RTC has jurisdiction. The Court of Appeals affirmed respondent