

FIRST DIVISION

[G.R. No. 131127, June 08, 2000]

ALFONSO T. YUCHENGCO, PETITIONER, VS. REPUBLIC OF THE PHILIPPINES, PRESIDENTIAL COMMISSION ON GOOD GOVERNMENT, ESTATE OF FERDINAND E. MARCOS, PRIME HOLDINGS, INC. ESTATE OF RAMON U. COJUANGCO AND IMELDA O. COJUANGCO, RESPONDENTS.

D E C I S I O N

YNARES-SANTIAGO, J.:

This is a petition for review to set aside the Resolution of the Sandiganbayan dated October 9, 1996^[1] dismissing petitioner's Amended-complaint-in-intervention and the subsequent Resolution dated October 6, 1997^[2] denying petitioner's motion for reconsideration.

The issue in this petition is whether or not, under the undisputed circumstances at bar, the Sandiganbayan may dismiss the complaint-in-intervention for alleged failure to pay the correct amount of docket fees on time.

On July 16, 1987, the Republic of the Philippines (hereinafter, the Republic) filed with the Sandiganbayan a complaint for Rescission, Reconveyance, Restitution, Accounting and Damages against Ferdinand E. Marcos, Imelda Marcos and Prime Holdings, Inc. (hereinafter, PHI), docketed as Civil Case No. 0002. Alleging ownership of the properties of the Marcoses sought to be forfeited by the Republic, petitioner Yuchengco filed a motion for intervention and complaint-in-intervention on August 11, 1988, impleading the Republic, the Presidential Commission on Good Government (PCGG), Ferdinand E. Marcos, Imelda Marcos and PHI as defendants-in-intervention.^[3] Petitioner paid a docket fee of P400.00.

On February 17, 1989, the Sandiganbayan issued a Resolution granting the motion for intervention and admitting the complaint-in-intervention.^[4] The Republic filed a motion for reconsideration on March 14, 1989, which petitioner opposed.

On February 9, 1990, the Sandiganbayan denied the Republic's motion for reconsideration.^[5] Hence, the Republic and the PCGG, on behalf of PHI, filed an answer to the complaint-in-intervention dated June 19, 1990 and November 2, 1990, respectively.

Meanwhile, PHI filed a Manifestation and Motion, stating that Imelda Cojuangco and the Estate of Ramon U. Cojuangco claim ownership of PHI. Thus, on May 31, 1993, petitioner moved for leave to admit amended complaint-in-intervention to implead the said claimants.^[6]

On June 11, 1993, the Sandiganbayan, in open court, admitted the amended complaint-in-intervention.^[7] Consequently, amended answers-in-intervention were filed by the Republic and the PHI on July 2, 1993.

On the other hand, the Estate of Ramon Cojuangco and Imelda O. Cojuangco (hereinafter, the Cojuangcos) filed a motion to dismiss^[8] the amended complaint-in-intervention, dated August 25, 1993, on the ground of failure to state a cause of action and lack of jurisdiction of the Sandiganbayan over the case, inasmuch as petitioner did not pay the correct docket fees. They argued that the amended-complaint-in-intervention failed to state the amount of the claim or the value of the property subject of the complaint, in violation of the doctrine laid down in *Manchester Development Corporation, et al. v. Court of Appeals*.^[9]

On September 6, 1993, petitioner filed a second amended complaint-in-intervention with motion for leave. Later, on September 28, 1993, he also opposed the motion to dismiss filed by PHI and the Cojuangcos on September 28, 1993.^[10]

PHI and the Cojuangcos filed a reply^[11] alleging that since the amended complaint-in-intervention is substantially an action for the recovery of ownership and possession of shareholdings in the Philippine Telecommunications Investment Corporation (PTIC), Section 7 (a) of Rule 141 of the Rules of Court applies, to wit:

Sec. 7..... Clerks of Regional Trial Courts. ---

(a)....For filing an action or a permissive counter-claim or money claim against an estate not based on judgment, or for filing with leave of court a third-party, fourth-party, etc. complaint, or a complaint in intervention xxx if xxx the stated value of the property in litigation is:

- | | | |
|----|---|---------|
| 1. | Not more than P20,000.00 | P120.00 |
| 2. | More than P20,000.00 but less than P40,000.00 | 150.00 |
| 3. | P40,000.00 or more but less than P60,000.00 | 200.00 |
| 4. | P60,000.00 or more but less than P80,000.00 | 250.00 |
| 5. | P80,000.00 or more but less than P100,000.00 | 400.00 |
| 6. | P100,000.00 or more but less than P150,000.00 | 600.00 |
| 7. | For each P1,000.00 in excess of P150,000.00 | 5.00 |

Further, respondents PHI and the Cojuangcos contend that as the action seeks to litigate the ownership and disposition of properties consisting of subject shares, the amount of docket fees must be based on the total value of the same.

Petitioner filed a rejoinder^[12] dated November 29, 1993, maintaining that no docket fees are payable to the Sandiganbayan, pursuant to Section 11 of Presidential Decree No. 1606, as amended, which provides:

Proceedings free of charge. --- All proceedings in the Sandiganbayan shall be conducted at no cost to the complainant and/or his witnesses.

In their sur-rejoinder filed on January 28, 1994,^[13] respondents PHI and the Cojuangcos countered that the reason for the above-quoted Section 11 of P.D. 1606 is that the jurisdiction of the Sandiganbayan at the time of its enactment was limited to criminal actions. With the expansion of the Sandiganbayan's jurisdiction to include civil cases, the payment of docket fees has become a jurisdictional requirement.

On February 8, 1994^[14], petitioner replied that the Sandiganbayan has no power or discretion to ignore or amend the provision in Section 11 of P.D. 1606 simply on the basis of public policy. Petitioner points out that Executive Order No. 14 issued by President Corazon C. Aquino did not amend the said provision, hence, payment of docket fees in the Sandiganbayan is legally without basis.

On September 21, 1994, petitioner re-filed his second amended complaint-in-intervention^[15] with motion to admit, wherein he sought to include Y Realty Corporation as co-plaintiff-in-intervention and to join Imelda R. Marcos as the representative of the Estate of Ferdinand Marcos.

On October 11, 1994, PHI and the Cojuangcos opposed the motion to admit second amended complaint-in-intervention,^[16] contending that jurisdictional issues should first be resolved before the most recent motion is considered.

A motion for early resolution^[17] was filed by petitioner on October 27, 1994. He averred that since the main issues in the motion to dismiss filed by PHI and the Cojuangcos dwell on payment of docket fees and the amount thereof, which may possibly involve the jurisdiction of the Sandiganbayan, and it is unclear whether the filing of the complaint-in-intervention tolled the running of the 10-year prescriptive period, there is a need for the Sandiganbayan to resolve the motion to dismiss as soon as possible.

On March 31, 1995, petitioner moved that he be allowed to post a bond,^[18] to answer for whatever docket fees he may be held to pay, with the prayer that the running of the prescriptive period be deemed tolled pending the resolution by the Sandiganbayan of the motion to dismiss.

In a Resolution dated April 17, 1995,^[19] the Sandiganbayan deferred the resolution of the motion to dismiss until trial, as the grounds raised therein do not appear to be indubitable.

Meanwhile, PHI and the Cojuangcos opposed petitioner's motion to post bond on the ground that the same should not be construed as a substitute for the actual payment of the proper docket fees, because payment of docket fees should not be subject to any contingency.^[20]

On the other hand, petitioner moved for the partial reconsideration of the Resolution dated April 17, 1995 insofar as the deferment of the issue on payment of docket fees and the amount thereof. In the alternative, petitioner prayed that his motion to

post bond be granted.^[21] PHI and the Cojuangcos also moved for the reconsideration of the April 17, 1995 Resolution.^[22]

Meanwhile, petitioner prayed for the denial of the motion to dismiss in view of the passage of Republic Act No. 7975^[23] which, like Executive Order 14, did not amend Section 11 of P.D. 1606.^[24]

In the meantime, petitioner filed a petition for *certiorari* before this Court, docketed as G.R. No. 123264,^[25] assailing public respondent's decision to defer adjudication on the issues raised in PHI's and the Cojuangcos' motion to dismiss. The petition for *certiorari* was dismissed by this Court for being premature.^[26]

On March 29, 1996, the Sandiganbayan issued a Resolution denying petitioner's motion to post bond and ordering petitioner (plaintiff-in-intervention therein) to pay the balance of the docket fee in the amount of P14,425.00.^[27] Petitioner paid with reservation.^[28]

PHI and the Cojuangcos filed a motion for reconsideration,^[29] arguing that the Sandiganbayan erred in the computation of the docket fees and in allowing petitioner to pay additional docket fees beyond the prescriptive period. They again invoked Rule 141, Section 7 (a) of the Rules of Court and averred that the PTIC, registered in the name of PHI, has a stated value of P1.6 billion. Accordingly, as petitioner claims to own 31% of PTIC, which has a more recent value of P1,078,260,896.56, he should be made to pay at least the sum of P5,391,154.35.

On May 7, 1996,^[30] the Sandiganbayan denied PHI's and the Cojuangcos' motion for reconsideration of its April 17, 1995 Resolution.

Thereafter, respondents PHI and the Cojuangcos filed their answer to the amended complaint-in-intervention.^[31]

On June 11, 1996, petitioner moved that the amount of P14,425.00 be refunded to him,^[32] insisting that proceedings in the Sandiganbayan should be free of charge.

The Sandiganbayan, on October 9, 1996, issued the assailed resolution granting the motion to dismiss and denying petitioner's motion to admit second amended complaint-in-intervention.^[33]

Petitioner filed a motion for reconsideration^[34] dated October 30, 1996, and PHI and the Cojuangcos filed their opposition.^[35] The Republic filed a manifestation^[36] dated December 24, 1996 adopting the arguments raised by PHI and the Cojuangcos.

On October 6, 1997, the Sandiganbayan denied petitioner's motion for reconsideration.^[37] Hence this petition.

As earlier stated, the main issue to be resolved in the case at bar is whether or not petitioner is barred from asserting his alleged causes of action against respondents by reason of non-payment of the proper docket fees.

The Sandiganbayan cited several cases spanning from 1932 to 1987 to the effect that it is not simply the filing of the complaint or appropriate initiatory pleading, but the payment of the prescribed docket fee, that vests the trial court with jurisdiction over the subject matter or nature of the action.^[38]

The ruling that the timely filing of correct docket fees is jurisdictional is all too familiar. It should be noted, however, that the pronouncements of this Court on the matter have always been influenced by the peculiar legal and equitable circumstances surrounding each case. For instance, the *Lazaro v. Eudencia*^[39] ruling was in accordance with the then applicable law, *i.e.*, Section 76 of Act No. 190 as amended by Act No. 3615. In *Malimit v. Degamo*^[40], this Court ruled that the date of payment of docket fees and not the date of mailing is considered the date of filing of a petition for *quo warranto*. In *Garcia v. Vasquez*^[41], this Court initially stated that a docket fee must be paid for a second will executed by the same decedent. Subsequently, on a motion for reconsideration, this Court reversed itself and held that the initial payment for the first will presented for probate was sufficient compliance. This Court was even more liberal in *Magaspi v. Ramolete*,^[42] where the docket fee was paid upon the filing of the complaint. It turned out later, after the complaint was amended, that the payment was insufficient. This Court ruled that under the circumstances, the case was docketed upon the first payment and the trial court already acquired jurisdiction. However, the correct fee based on the amended complaint was required to be paid.

In the instant case, the Sandiganbayan adhered strictly to the rule enunciated in *Manchester Development Corporation v. Court of Appeals*,^[43] to wit:

The Court acquires jurisdiction over any case only upon the payment of the prescribed docket fee. Any amendment of the complaint or similar pleading will not thereby vest jurisdiction in the Court, much less the payment of the docket fee based on the amounts sought in the amended pleading. The ruling in the *Magaspi* case, insofar as it is inconsistent with this pronouncement is overturned and reversed.

In *Manchester*, this Court stated that the allegation in the body of the complaint of damages suffered in the amount of P78,000,000.00, and the omission of a specific prayer for that amount, was intended for no other purpose than to evade the payment of correct filing fees if not to mislead the docket clerk in the assessment of the correct fee. The ruling was intended to put a stop to such an irregularity. In the case at bar, however, we note that there is no such irregularity or attempt to mislead in the instant petition before us.

We also note that the *Manchester* ruling did not become the final statement on the matter. In *Sun Insurance Office Ltd. v. Asuncion*,^[44] the Court ruled:

In the present case, a more liberal interpretation of the rules is called for considering that, unlike *Manchester*, private respondent demonstrated his willingness to abide by the rules by paying the additional docket fees as required.

In the said case, the payment of the correct fee within "a reasonable time" but in no case beyond its applicable prescriptive or reglementary period was allowed. In