



Republic of the Philippines
Supreme Court
Manila
SECOND DIVISION

INOCENCIA TAGALOG,
Petitioner,

G.R. No. 201286

Present:

- versus -

CARPIO, J., Chairperson,
BRION,
DEL CASTILLO,
PEREZ, and
PERLAS-BERNABE, JJ.

MARIA LIM VDA. DE GONZALEZ,
GAUDENCIA L. BUAGAS,
RANULFO Y. LIM, DON L. CALVO,
SUSAN C. SANTIAGO,
DINA C. ARANAS, and
RUFINA C. RAMIREZ,
Respondents.

Promulgated:

JUL 18 2014 *Hon. Cabalag perfecto*

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DECISION

CARPIO, J.:

The Case

Before us is a petition for review on certiorari¹ assailing the Resolutions dated 12 May 2011² and 9 March 2012³ of the Court of Appeals (CA) in CA-G.R. CV No. 02784.

The Facts

The subject of the litigation involves a parcel of land known as Lot No. 1595-A containing an area of 27,551 square meters situated in Buanoy, Balamban, Cebu and covered by Transfer Certificate of Title (TCT) No. T-57604.

¹ Under Rule 45 of the 1997 Revised Rules of Civil Procedure.

² *Rollo*, pp. 173-174. Penned by Justice Myra V. Garcia-Fernandez with Justices Portia Aliño-Hormachuelos and Nina G. Antonio-Valenzuela, concurring.

³ *Id.* at 191-192. Penned by Justice Myra V. Garcia-Fernandez with Justices Eduardo B. Peralta, Jr. and Nina G. Antonio-Valenzuela, concurring.

✓

On 5 February 2003, respondents Maria Lim Vda. de Gonzalez, Gaudencia L. Buagas, Ranulfo Y. Lim, Don L. Calvo, Susan C. Santiago, Dina C. Aranas, and Rufina C. Ramirez filed with the Regional Trial Court (RTC) of Toledo City, Cebu, Branch 29, a Complaint⁴ for Recovery of Possession, Preliminary Mandatory Injunction with a Prayer for a Temporary Restraining Order with Damages and Attorney's Fees against petitioner Inocencia Tagalog (Tagalog). At the time of the complaint, the land was declared for taxation purposes under Tax Declaration No. 01-08-05410 with an assessed value of ₱57,960 and a market value of ₱264,930.⁵

In the Complaint, respondents stated that they were the co-owners of the land. They alleged that Tagalog occupied a portion of the land as lessee and paid rent on a month to month basis by virtue of a verbal contract. Tagalog built a house with light materials on the land and when a strong typhoon hit Cebu, Tagalog's house was damaged. Thereafter, respondents alleged that Tagalog discontinued paying the rent and stopped inhabiting the house.

Sometime before December 2002, respondents demanded that Tagalog remove the scattered debris on the land, notified her of their intention to use the land, and subdivide and develop it for their personal use. Respondents informed Tagalog to vacate the premises asserting that the verbal contract of lease was deemed terminated upon the expiration of the monthly contract. However, Tagalog refused to vacate claiming that she was still a lessee.

Sometime in January 2003, respondents alleged that Tagalog constructed a two-storey residential house made of cement, large steel bars, hollow blocks, sand and gravel on the land. Respondents informed the Office of the Municipal Engineer of Balamban, Cebu of Tagalog's act of constructing a house on the land without their consent and without the required building permit. Respondents alleged that despite the warning given by the Office of the Municipal Engineer to stop the construction, Tagalog still continued with the construction. Respondents then referred the matter to the Barangay Captain of Buanoy, Balamban, Cebu but again, as respondents alleged, Tagalog only ignored the advice given by the Barangay Captain.

In her Answer, Tagalog alleged that the lease contract was still valid and subsisting and had never been terminated by the parties. She added that she had not abandoned her possession over the land and has continuously paid the rent on a month to month basis. Tagalog denied having been notified of the respondents' intention to use and subdivide the land and further alleged that she sought and was granted permission to repair her dwelling structure and undertook the repair without enlarging the area of her

⁴ Id. at 25-32. Docketed as Civil Case No. T-1059.

⁵ Id. at 26.

occupation. Tagalog admitted being summoned by the Office of the Municipal Engineer and Barangay Captain and she alleged that both offices found that she had long ceased the repair work. As a defense, Tagalog prayed for the dismissal of the case on the ground that the action was for ejectment and unlawful detainer which was beyond the jurisdiction of the RTC.

In a Decision⁶ dated 5 May 2008, the RTC decided the case in favor of respondents. The RTC ruled that, in the complaint, respondents prayed for the recovery of possession of the leased property as owners. Thus, the issue of ownership, which was within the original jurisdiction of the court was primordial and the prayer for eviction was merely incidental there being no written contract of lease between the parties. The dispositive portion of the Decision states:

WHEREFORE, finding the evidence for the plaintiffs to have preponderantly and greatly leaned in their favor, judgment is hereby rendered against the defendant, Inocencia Tagalog as follows:

- (1) Ordering her to vacate the premises in question, deliver the peaceful possession thereof to plaintiffs who are its rightful owners but wrongfully deprived of it, and remove whatever structures are built thereon at her own expense;
- (2) Directing her (defendant) to pay plaintiffs the amount of Fifty Thousand (₱50,000.00) Pesos, as moral damages and the further sum of Twenty Thousand (₱20,000.00) Pesos, as reasonable attorney's fees; plus
- (3) Costs of suit.

SO ORDERED.⁷

Tagalog filed a Motion for Reconsideration which was denied by the RTC in an Order dated 30 May 2008. Tagalog then filed an appeal⁸ with the Court of Appeals. In a Resolution⁹ dated 12 May 2011, the CA dismissed the case for failure of Tagalog to file the required brief within the extended period requested. The dispositive portion of the Resolution states:

WHEREFORE, in view of appellant's failure to file the required brief within the extended period requested, and pursuant to Section 1 (e), Rule 50 of the 1997 Rules of Civil Procedure, the above-entitled case is hereby DISMISSED.

SO ORDERED.¹⁰

⁶ Id. at 159-165.

⁷ Id. at 164-165.

⁸ Docketed as CA-G.R. CV No. 02784.

⁹ *Rollo*, pp. 173-174.

¹⁰ Id. at 174.

Tagalog filed a Motion for Reconsideration which was denied by the appellate court in a Resolution¹¹ dated 9 March 2012.

Hence, the instant petition.

The Issue

The main issue for our resolution is whether the Regional Trial Court had jurisdiction over the subject matter of the action.

The Court's Ruling

The petition is meritorious.

Petitioner contends that the subject of the action is for unlawful detainer, thus cognizable by a first level court or the Municipal Trial Court (MTC). Since the case was filed with the RTC, a second level court, the RTC's decision should be rendered void for lack of jurisdiction over the case.

The jurisdiction of a particular court is determined by the nature of the action pleaded as appearing from the allegations in the complaint. In order to determine whether the lower court had jurisdiction, it is necessary to first ascertain the nature of the complaint filed before it.

In the present case, the complaint was for recovery of possession, preliminary mandatory injunction with a prayer for temporary restraining order with damages and attorney's fees. Respondents' complaint contained the following allegations:

x x x x

3. Plaintiffs (respondents) are among the registered owners and are co-owners of a parcel of land, x x x.

x x x x

6. For quite sometime, defendant (petitioner) has been occupying a portion of the above-described parcel of land, as lessee thereof, where her house was being built with light materials and was paying rentals over the same by virtue of a verbal contract of lease on a month to month basis.

¹¹ Id. at 191-192.

7. The said house of the defendant was damaged by a strong typhoon which hit Cebu and was no longer inhabited by her and her family for quite sometime.

8. Since the destruction of the defendant's house, the latter was no longer paying rentals as a consequen[ce] of her possession of the property where her house was previously standing, and that the verbal contract of lease was deemed terminated upon the expiration of the verbal monthly contract.

9. Due to the termination of the verbal monthly contract, plaintiffs demanded that defendant remove the scattered debris and notified defendant that they are already intending to use the property and subdivide and develop it for their personal use.

10. However, defendant refused to vacate the property and continued to possess the same, and refused to remove the debris scattered thereon despite demands for her to do so. Instead, defendant wrongfully claimed that she is still a lessee of the portion previously occupied by her and that she still intends to continue her possession.

11. Instead, sometime in the first week of January 2003, defendant brought cement, large steel bars, hollow blocks, sand and gravel and other construction materials into the premises in question and started the construction of a two (2) storey residential house thereon.

X X X X

14. Plaintiffs are entitled to the relief being demanded which is for the defendant to vacate the premises in question and to desist from constructing a residential house thereon because plaintiffs have a right to possess the property being the owners thereof and that defendant's possession of the same is now unlawful and illegal due to the termination of the verbal contract of lease on a month to month basis.¹²

Based on the allegations in respondents' complaint, it is clear that the case involves only the issue of physical possession or unlawful detainer as defined in Section 1,¹³ Rule 70 of the Rules of Court. In *De Leon v. CA*,¹⁴ we held that unlawful detainer is the withholding by a person from another of the possession of a land or building to which the latter is entitled after the expiration or termination of the former's right to hold possession by virtue of a contract, express or implied. An ejectment suit is brought before the

¹² Id. at 26-28.

¹³ SECTION 1. *Who may institute proceedings, and when.* – Subject to the provisions of the next succeeding section, a person deprived of the possession of any land or building by force, intimidation, threat, strategy, or stealth, or a lessor, vendor, vendee, or other person against whom the possession of any land or building is unlawfully withheld after the expiration or termination of the right to hold possession, by virtue of any contract, express or implied, or the legal representatives or assigns of any such lessor, vendor, vendee, or other person, may, at any time within one (1) year after such unlawful deprivation or withholding of possession, bring an action in the proper Municipal Trial Court against the person or persons unlawfully withholding or depriving of possession, or any person or persons claiming under them, for the restitution of such possession, together with damages and costs.

¹⁴ 315 Phil. 140 (1995).

MTC to recover not possession *de jure* but physical possession only or possession *de facto*, where dispossession has lasted for not more than one year.

The right to recover possession of the land based on the expiration of the verbal monthly contract of lease is governed by Article 1687¹⁵ of the Civil Code. Since the lease is paid monthly under a verbal contract of lease without a fixed period, the lease period is from month to month. Respondents demanded that Tagalog vacate the land sometime before December 2002, after the termination of the monthly verbal lease contract. They filed the complaint with the RTC in February 2003. Since the complaint was filed within one year from the expiration of the right to hold possession, this case is clearly an unlawful detainer suit within the jurisdiction of the MTC.

The conclusion would be different if the action is for the recovery of the right to possess and dispossession lasted for more than one year which would justify resort to the remedy of *accion publiciana*. *Accion publiciana* is the plenary action in an ordinary civil proceeding to determine the better right of possession of the land independently of the title and is filed after the expiration of one year from the accrual of the cause of action or from the unlawful withholding of possession of the land. In such case, the RTC has jurisdiction.¹⁶

However, in this case, the unlawful withholding of possession of the land before the filing of the complaint with the RTC lasted only for more or less three months. Also, neither of the parties brought forth the issue of ownership which was the reason given by the RTC for taking cognizance of the action. Jurisdiction is conferred by law and any judgment, order or resolution issued without it is void and cannot be given any effect.¹⁷ This rule applies even if the issue on jurisdiction was raised for the first time on appeal or even after final judgment.¹⁸ In this case, Tagalog raised the issue of jurisdiction in her Answer.

Clearly, the RTC erred in not dismissing the case before it. Under the Rules of Court, it is the duty of the court to dismiss an action whenever it appears that the court has no jurisdiction over the subject matter.¹⁹

¹⁵ Art. 1687. If the period for the lease has not been fixed, it is understood to be from year to year, if the rent agreed upon is annual; from month to month, if it is monthly; from week to week, if the rent is weekly; and from day to day, if the rent is to be paid daily. However, even though a monthly rent is paid, and no period for the lease has been set, the courts may fix a longer term for the lease after the lessee has occupied the premises for over one year. If the rent is weekly, the courts may likewise determine a longer period after the lessee has been in possession for over six months. In case of daily rent, the courts may also fix a longer term after the lessee has stayed in the place for over one month.

¹⁶ *Spouses Cruz v. Spouses Torres*, 374 Phil. 529 (1999).

¹⁷ *Machado v. Gatdula*, G.R. No. 156287, 16 February 2010, 612 SCRA 546.

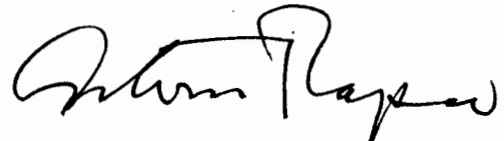
¹⁸ *Union Motors Corporation v. NLRC*, 373 Phil. 310 (1999).

¹⁹ Section 2, Rule 9 of the Rules of Court.

In sum, since respondents' complaint should have been filed with the MTC, the RTC seriously erred in proceeding with the case. The proceedings before a court without jurisdiction, including its decision, are null and void. It then follows that the appeal brought before the appellate court, as well as the decisions or resolutions promulgated in accordance with said appeal, is without force and effect.

WHEREFORE, we **GRANT** the petition. We **SET ASIDE** the Resolutions dated 12 May 2011 and 9 March 2012 of the Court of Appeals in CA-G.R. CV No. 02784. We **DISMISS** Civil Case No. T-1059 without prejudice to the parties seeking relief in the proper forum.

SO ORDERED.



ANTONIO T. CARPIO
Associate Justice

WE CONCUR:




ARTURO D. BRION
Associate Justice



MARIANO C. DEL CASTILLO
Associate Justice



JOSE PORTUGAL REREZ
Associate Justice



ESTELA M. PERLAS-BERNABE
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

**ANTONIO T. CARPIO**

Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

**MARIA LOURDES P. A. SERENO**

Chief Justice