



Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, First Division, issued a Resolution dated July 6, 2022 which reads as follows:

“G.R. No. 253134 (*Florante Dayaca v. Leonida Baloloy*). — The instant Petition for Review on *Certiorari*¹ seeks to reverse and set aside the Decision² dated 06 December 2019 and the Resolution³ dated 22 June 2020 issued by the Court of Appeals (CA) in CA-G.R. CV No. 112287. The CA affirmed the Decision⁴ dated 08 November 2018 of the Regional Trial Court (RTC) of Aparri, Cagayan, Branch 07, in a case for Recovery of Possession with Damages (the complaint), docketed as Civil Case No. II-5679.

Antecedents

On 20 November 2014, respondent Leonida O. Baloloy (respondent) filed a Complaint against Orlando Capalaran (Orlando) and petitioner Florante Dayaca (Florante), to recover possession of an unregistered parcel of rice land, consisting of about 1.5 hectares, located in the southern part of *Sitio Morol Dakkel a Danum* in Calayan, Cagayan (rice land), purportedly belonging to respondent and her late husband, Dominador Baloloy (Dominador).

During his lifetime, Dominador allegedly contracted a loan from Orlando in the amount of ₱30,000.00. As security for the payment of the loan, Dominador turned over to Orlando the possession and the right to cultivate the rice land with the agreement that the latter would return the same once the loan was fully paid.⁵

¹ *Rollo*, pp. 14-32.

² *Id.* at 33-45; penned by Associate Justice Marlene B. Gonzales-Sison and concurred in by Associate Justices Pedro B. Corales and Ruben Reynaldo G. Roxas.

³ *Id.* at 46-48.

⁴ *Id.* at 186-196. Penned by Judge Oscar T. Zaldivar.

⁵ *Id.* at 49-50.

In 2007, respondent settled the loan obligation, even paying an additional compensation of ₱7,000.00. However, Orlando still failed to return possession of the rice land despite demand. Upon verification, respondent learned that Florante was already cultivating the one-hectare portion of the rice land, while Orlando was cultivating the remaining portion.⁶

Respondent brought the matter to the *barangay* for conciliation, but to no avail. Hence, she filed the complaint. Respondent alleged, *inter alia*, that the rice land was not yet declared for taxation purposes, but to the best of her knowledge and information, its estimated assessed value is more than ₱20,000.00.⁷

Orlando and Florante jointly filed an Answer and a Motion to Dismiss and/or Affirmative Defenses,⁸ denying the allegations in the complaint and moving for the dismissal of the complaint for the following reasons: (1) respondent supposedly did not allege, but merely estimated, the assessed value of the rice land; (2) respondent failed to refer the matter to the appropriate *Lupong Tagapamayapa*; and (3) respondent had no legal standing because the subject rice land was part of the forest area.⁹

In addition, Orlando and Florante claimed that the rice land was owned by Orlando, not by Dominador. While there was indeed a loan obtained by Dominador, Orlando was made to understand that the collateral was a different property, and that Orlando had already returned possession of the collateral to respondent. Thus, respondent cannot demand possession of the rice land since it did not belong to her or Dominador, in the first place.¹⁰

During trial on the merits, Florante claimed that the rice land belonged to his family as his parents had possessed and cultivated the same since the 1980s, and that they only verbally entrusted the same to Dominador from 1992-2005 when they left the area to seek medical help for their ailing mother.¹¹

Ruling of the RTC

On 08 November 2018, the RTC issued a Decision¹² in favor of respondent, the dispositive portion reads:

WHEREFORE, premises considered, judgment is hereby rendered in favor of the plaintiff and against the defendants. Defendant Florante Dayaca and all persons claiming right under him are ordered to vacate the subject land located at Sitio Morol,

⁶ Id. at 50.

⁷ Id. at 24.

⁸ Id. at 55-60, Annex "D."

⁹ Id. at 57-58.

¹⁰ Id. at 58.

¹¹ Id. at 193.

¹² Id. at 186-196.

Danum
southern part of Dakkel a ~~Dannum~~; Barangay Minabel,
Camiguin ~~Island~~, Calayan.
Island
Costs against defendant Florante Dayaca.

SO ORDERED.¹³

The RTC held that respondent had no cause of action against Orlando since the evidence sufficiently established that when respondent fully paid the loan, Orlando already gave up possession of the rice land. However, Florante, who claimed ownership of the rice land, prevented respondent from possessing and tilling the same in view of his claim of ownership. Thus, at the time of the filing of the complaint, it was only Florante who was in possession of the property.¹⁴

Further, the RTC ruled that the rice land was within the forest zone. Hence, it formed part of the inalienable portion of the public domain. Consequently, the same belonged to the State, not to any of the contending parties. Nevertheless, the issue of possession may still be resolved pursuant to prevailing jurisprudence.¹⁵

The RTC, thus, concluded that respondent had the superior right to possess the rice land because she was able to sufficiently prove that her late husband, Dominador, had been tilling the land since the 1970s. On the other hand, Florante's assertions were betrayed by his own mother's testimony that the land owned, possessed, and cultivated by Dominador was the same property mortgaged by him to Orlando, and now possessed by Florante.¹⁶

Ruling of the CA

On appeal, the CA affirmed the RTC ruling, finding no reason to disturb the factual findings and conclusions of the trial court.¹⁷ The decretal portion of the assailed Decision states:

WHEREFORE, the appeal is **DENIED**. The Decision dated November 8, 2018 of the Regional Trial Court of Aparri, Cagayan, Branch 07, in Civil Case No. II-5679 is **AFFIRMED**.

SO ORDERED.¹⁸

Petitioner filed a Motion for Reconsideration, arguing anew that the trial court lacked jurisdiction over the complaint for failure of respondent to properly allege the assessed value of the rice land.¹⁹

¹³ Id. at 195-196.

¹⁴ Id. at 192-193.

¹⁵ Id. at 193-194.

¹⁶ Id. at 195.

¹⁷ Id. at 44.

¹⁸ Id.

¹⁹ Id. at 47.

The CA denied the motion without delving into the issue of jurisdiction.²⁰ Accordingly, petitioner is now before this Court, assailing the trial court's authority, among other things.

Issues

1. Whether the RTC should have dismissed the complaint for lack of jurisdiction over the subject matter for lack of sufficient basis to determine the assessed value of the rice land;
2. Whether petitioner is barred from assailing the jurisdiction of the RTC having actively participated during the trial on the merits; and
3. Whether the CA correctly affirmed the findings and conclusions of the RTC.

Ruling of the Court

The Court grants the petition.

It is well-settled that jurisdiction is conferred only by law. **It cannot be presumed** or implied, and must distinctly appear from the law. It cannot also be vested upon a court by the agreement of the parties, or by the **court's erroneous belief that it had jurisdiction over a case.**²¹ Equally settled is the rule that the nature of the action and which court has original and exclusive jurisdiction over the same are determined by the material allegations of the complaint, the type of relief prayed for by the plaintiff, and the law in effect when the action is filed, irrespective of whether the plaintiffs are entitled to some or all of the claims asserted therein.²²

The concept of jurisdiction has several aspects, namely: (1) jurisdiction over the subject matter; (2) jurisdiction over the parties; (3) jurisdiction over the issues of the case; and (4) in cases involving property, jurisdiction over the *res* or the thing subject of the litigation.²³

Guided by the foregoing standards, the Court perused the complaint to thresh out the issues at hand.

The complaint is denominated as one for recovery of possession. In our jurisdiction, there are three kinds of action for recovery of possession of real property: (1) ejectment (either for unlawful detainer or forcible entry) in case the dispossession has lasted for not more than a year; (2) *accion publiciana* or a plenary action for recovery of real right of possession when dispossession has lasted for more than one year; and, (3) *accion*

²⁰ Id. at 48.

²¹ See *Regalado v. De la Pena*, 822 Phil. 705, 716 (2017).

²² See *The Heirs of the Late Spouses Ramiro v. Spouses Caron*, G.R. No. 196874, 06 February 2019.

²³ See *Boston Equity Resources, Inc. v. Court of Appeals*, 711 Phil. 451, 464 (2013).

reinvindicatoria or an action for recovery of ownership.²⁴

Relative to this, it bears to point out that when respondent filed her complaint in 2014, the prevailing law was still Batas Pambansa Blg. 129²⁵ (BP 129), as amended by Republic Act No. (RA) 7691.²⁶ Under BP 129, the Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts have exclusive original jurisdiction in all civil actions which involve title to, or possession of, real property, or any interest therein where the assessed value of the property or interest therein does not exceed ₱20,000.00 or, in civil actions in Metro Manila, where such assessed value does not exceed ₱50,000.00. If the assessed value exceeds ₱20,000.00 or ₱50,000.00, as the case may be, jurisdiction is with the RTC.²⁷ Insofar as summary ejectment cases are concerned, they indubitably fall within the original and exclusive jurisdiction of first level courts by express provision of Section 33 of BP 129, in relation to Sec. 1, Rule 70 of the 1997 Rules of Civil Procedure.²⁸

Based on the allegations in the complaint, the case is one for *accion publiciana*. Certainly, the complaint cannot be one for a summary case of ejectment given that the facts show that despite failing to recover the rice land from Orlando and petitioner in 2007, respondent only filed the complaint in 2014. The case cannot also be a *reinvindicatoria* action because the rice land is an unregistered land, belonging to the State. Moreover, respondent prays only for recovery of possession.²⁹

In *accion publiciana*, the assessed value of the real property is a jurisdictional element to determine the court that can take cognizance of the action.³⁰ Here, respondent readily admits in her complaint that she does not know the assessed value of the rice land because it is not yet declared for taxation purposes. In her effort to comply with the jurisdictional requirement, she instead alleged that to the best of her knowledge and information, the estimated assessed value of the rice land is more than ₱20,000.00, thereby placing the subject matter of the complaint within the jurisdiction of the RTC.

Claiming respondent's allegation to be insufficient, petitioner argues that the complaint should have been dismissed for lack of jurisdiction since it is not the appropriate allegation required by law with respect to the assessed value of a property.³¹

²⁴ See *Regalado v. De la Pena*, supra at note 21.

²⁵ Entitled "AN ACT PENALIZING THE MAKING OR DRAWING AND ISSUANCE OF A CHECK WITHOUT SUFFICIENT FUNDS OR CREDIT AND FOR OTHER PURPOSES." Approved: 03 April 1979.

²⁶ Further amended by Republic Act (RA) No. 11576, signed into law on 30 July 2021, which expands the jurisdiction of the first level courts by adjusting threshold values for civil cases that fall under their jurisdiction.

²⁷ See *Heirs of Arrienda v. Kalaw*, 784 Phil. 69, 76 (2016).

²⁸ See *Nuñez v. SLTEAS Phoenix Solutions, Inc.*, 632 Phil. 143, 152 (2010).

²⁹ *Rollo*, p. 15.

³⁰ See *Regalado v. De la Pena*, supra note 21.

³¹ *Rollo*, p. 21.

The Court agrees with petitioner.

To be sure, it has been exceedingly stressed in jurisprudence that failure to allege the assessed value of a real property in the complaint would result to a dismissal of the case. This is because absent any allegation in the complaint of the assessed value of the property, it cannot be determined whether the RTC or the MTC has original and exclusive jurisdiction over petitioner's action.³² Indeed, courts cannot simply take judicial notice of the assessed value, or even market value of the land.³³

It likewise bears pointing out that under Section 1, Rule 8 of the Rules of Court then in force, “[e]very pleading shall contain in a methodical and logical form, a plain, concise and direct statement of the ultimate facts on which the party pleading relies for his claim or defense, as the case may be, omitting the statement of mere evidentiary facts.” By definition, ultimate facts are those facts that the expected evidence will support.³⁴ Without the constitutive factual predicates, any assertion could never satisfy the threshold of an ultimate fact.³⁵

Following this rule, the courts must interpret and apply the law on jurisdiction in relation to the averments of ultimate facts in the complaint or other initiatory pleading.³⁶ In this case, petitioner gave an estimate of the supposed assessed value of the subject property. However, it is not sufficient to give the RTC jurisdiction over the complaint because such allegation is not an ultimate fact. Respondent did not state with particularity how she came up with that value. It was a mere assertion devoid of narration of facts or explanation on the specific basis for giving such estimate. There is therefore no basis for the trial court to verify whether it has, indeed, jurisdiction over the case.

Although respondent claims that the rice land is not yet declared for taxation purposes, she was not without any remedy. Section 33 of BP 129, as amended, clearly states that “in cases of land not declared for taxation purposes, the value of such property shall be determined by the assessed value of the adjacent lots.” Therefore, she should have, at least, alleged the assessed value of the lots adjacent to the rice land, instead of merely relying on pure conjecture.

Incidentally, it is worth pointing out that the Court had once affirmed the dismissal of the complaint for lack of jurisdiction because the plaintiff therein alleged the market value, instead of the assessed value of the

³² See *Foronda-Crystal v. Son*, 821 Phil. 1033, 1045 (2017).

³³ See *Heirs of Spouses Ramiro v. Spouses Bacaron*, G.R. No. 196874, 06 February 2019.

³⁴ See *Salita v. Hon. Magtolis*, 303 Phil. 106, 111 (1994).

³⁵ See *Magellan Aerospace Corporation v. Philippine Air Force*, 781 Phil. 788, 799 (2016).

³⁶ See *Penta Pacific Realty Corporation v. Ley Construction and Development Corporation*, 747 Phil. 672, 685 (2014). Citations omitted.

property.³⁷ If the Court strictly applied the law in that case, with more reason that the courts should not allow the case at bar to prosper given that the allegation of assessed value is based merely on speculation. Accordingly, the case should have been dismissed outright by the RTC for lack of jurisdiction.

At any rate, even at this late stage, the complaint must still be dismissed. It is settled that when a court has no jurisdiction over the subject matter, the only power it has is to dismiss the action.³⁸ Any decision rendered without jurisdiction is a total nullity and may be struck down at any time, even on appeal before this Court.³⁹

As such, all proceedings before the RTC and the CA, including their respective decisions, are void.⁴⁰ Certainly, a judgment rendered by a court without jurisdiction creates no rights and produces no effect. A void judgment for want of jurisdiction is no judgment at all. All acts performed pursuant to it and all claims emanating from it have no legal effect.⁴¹

The Court does not lose sight of the fact that petitioner actively participated during trial, and it was only when the CA issued the adverse decision when he raised the issue of jurisdiction again in his Motion for Reconsideration. Nevertheless, the Court finds that the *Tijam* doctrine cannot be applied under the given circumstances. Indeed, the Court has long clarified that *estoppel by laches* may only be invoked to bar the defense of lack of jurisdiction if the factual milieu is analogous to *Tijam v. Sibonghanoy*.⁴² As the Court emphatically declared in *Amoguis v. Ballado*:⁴³

The edict in *Tijam v. Sibonghanoy* is not an exception to the rule on jurisdiction. A court that does not have jurisdiction over the subject matter of a case will not acquire jurisdiction because of estoppel. Rather, the edict in *Tijam* must be appreciated as a waiver of a party's right to raise jurisdiction based on the doctrine of equity. It is only when the circumstances in *Tijam* are present that a waiver or an estoppel in questioning jurisdiction is appreciated.⁴⁴

In *Tijam*, the appellant Manila Surety and Fidelity Co., Inc. (Manila Surety) actively participated throughout the proceedings, even asking affirmative reliefs during the execution stage. After the second motion for execution against the counter-bond was granted by the trial court, Manila Surety moved to quash the writ of execution, but failed. It then filed an appeal with the CA. After the CA issued a decision adverse to Manila Surety, the latter moved for the dismissal of the case on the ground of lack of jurisdiction. At that juncture, almost 15 years had already lapsed from when the complaint

³⁷ See *Gabrillo v. Heirs of Pastor*, G.R. No. 234255, 02 October 2019.

³⁸ See *Bilag v. Ay-ay*, 809 Phil. 236, 243 (2017).

³⁹ See *Velasquez, Jr. v. Lisondra Land Incorporated*, G.R. No. 231290, 27 August 2020. Internal citations omitted.

⁴⁰ See *Regalado v. De la Pena*, supra at note 21.

⁴¹ See *Bilag v. Ay-ay*, supra note 38.

⁴² 131 Phil. 556, (1968).

⁴³ 839 Phil. 1 (2018).

⁴⁴ Id. at 5.

was filed. Thus, when the case reached this Court, it was ruled that Manila Surety was already “barred by *laches* from invoking lack of jurisdiction at this late hour for the purpose of annulling everything done heretofore in the case with its active participation.”⁴⁵

In contrast, it should be noted that petitioner, in fact, raised the issue of jurisdiction in his combined Answer and Motion to Dismiss, although the facts before the Court do not reveal what action was taken by the RTC on the same. In addition, petitioner raised the same ground as part of his Motion for Reconsideration before the CA, but the appellate court failed to resolve the same.

As this Court has repeatedly held, when lack of jurisdiction is raised before the appellate court, no considerable length of time had elapsed for laches to apply. Asserting lack of jurisdiction on appeal before the CA does not constitute laches.⁴⁶

All things considered, the Court grants the petition for failure of respondent to sufficiently allege the assessed value of the rice land, which would determine the court that has jurisdiction over her complaint. Consequently, the Court shall no longer delve into the other issues raised by petitioner.

WHEREFORE, the instant Petition for Review on *Certiorari* is **GRANTED**. The Decision dated 06 December 2019 and the Resolution dated 22 June 2020 issued by the Court of Appeals in CA-G.R. CV No. 112287 are **REVERSED** and **SET ASIDE**. The Complaint for Recovery of Possession with Damages, docketed as Civil Case No. II-5679, filed by respondent Leonida Baloloy is **DISMISSED** for lack of jurisdiction.

SO ORDERED.”

By authority of the Court:


LIBRADA C. BUENA
Division Clerk of Court 

by:

MARIA TERESA B. SIBULO
Deputy Division Clerk of Court

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⁴⁵ Supra note 42 at 562.

⁴⁶ See *Spouses Erorita v. Spouses Dumlao*, 779 Phil. 23, 30 (2016).

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