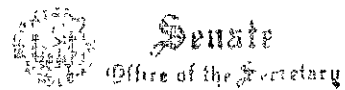
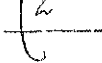


FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'11 JAN 24 P 1 :39

SENATE

RECEIVED BY: 

S. No. 2645

Introduced by Senator Francis G. Escudero

EXPLANATORY NOTE

Republic Act No. 386 or the Civil Code was enacted into law on 18 June 1949. It contains provisions on amounts in Philippine peso for its application.

Among these provisions are: Articles 704, abatement of nuisance; 748, donations mandated to be in writing; 1358, contracts mandated to be in writing; 1403, Statute of Frauds; 1772, partnership for Securities and Exchange Commission registration; and 2206, damages for *quasi-delict* resulting in death.

This bill seeks to update the amounts provided for in the foregoing provisions given that the disparity between the peso values in 1949 and the present makes such amount antiquated and obsolete. Thus, what could have been the legislative intent then may no longer apply at present.

On the determination of the amounts to be placed as amendments the current value of the Philippine peso is taken into account, relying on the official Consumer Price Index as issued by the National Statistics Office (NSO). This is believed and theorized to be sound in reflecting the real and true figures to date.

In view of the foregoing, this representation fervently requests for the immediate passage of this bill.

FRANCIS G. ESCUDERO

1 (1) Acts and contracts which have for their object the creation, transmission,
2 modification or extinguishment of real rights over immovable property; sales of
3 real property or of an interest therein are governed by articles 1403, No. 2, and
4 1405;

5 (2) The cession, repudiation or renunciation of hereditary rights or of those of the
6 conjugal partnership of gains;

7 (3) The power to administer property, or any other power which has for its object
8 an act appearing or which should appear in a public document, or should
9 prejudice a third person;

10 (4) The cession of actions or rights proceeding from an act appearing in a public
11 document.

12 All other contracts where the amount involved exceeds [five hundred pesos]
13 **SEVENTEEN THOUSAND SEVEN HUNDRED FIFTY FOUR AND**
14 **THIRTY NINE CENTAVOS** must appear in writing, even a private one. But
15 sales of goods, chattels or things in action are governed by articles, 1403, No. 2
16 and 1405. (1280a)"

17 "Article 1403. The following contracts are unenforceable, unless they are ratified:

18 (1) Those entered into in the name of another person by one who has been given
19 no authority or legal representation, or who has acted beyond his powers;

20 (2) Those that do not comply with the Statute of Frauds as set forth in this
21 number. In the following cases an agreement hereafter made shall be
22 unenforceable by action, unless the same, or some note or memorandum, thereof,
23 be in writing, and subscribed by the party charged, or by his agent; evidence,
24 therefore, of the agreement cannot be received without the writing, or a secondary
25 evidence of its contents:

26 .(a) An agreement that by its terms is not to be performed within a year
27 from the making thereof;

28 (b) A special promise to answer for the debt, default, or miscarriage of
29 another;

30 (c) An agreement made in consideration of marriage, other than a mutual
31 promise to marry;

32 (d) An agreement for the sale of goods, chattels or things in action, at a
33 price not less than [five hundred pesos] **SEVENTEEN THOUSAND**
34 **SEVEN HUNDRED FIFTY FOUR AND THIRTY NINE**
35 **CENTAVOS**, unless the buyer accept and receive part of such goods and
36 chattels, or the evidences, or some of them, of such things in action or pay
37 at the time some part of the purchase money; but when a sale is made by
38 auction and entry is made by the auctioneer in his sales book, at the time
39 of the sale, of the amount and kind of property sold, terms of sale, price,
40 names of the purchasers and person on whose account the sale is made, it
41 is a sufficient memorandum;

42 (e) An agreement for the leasing for a longer period than one year, or for
43 the sale of real property or of an interest therein;

1 (f) A representation as to the credit of a third person.

2 (3) Those where both parties are incapable of giving consent to a contract."

3 "Article 1772. Every contract of partnership having a capital of [three thousand
4 pesos] **ONE HUNDRED SIX THOUSAND FIVE HUNDRED TWENTY SIX AND**
5 **THIRTY THREE CENTAVOS** or more, in money or property, shall appear in a public
6 instrument, which must be recorded in the Office of the Securities and Exchange
7 Commission.

8 Failure to comply with the requirements of the preceding paragraph shall not affect the
9 liability of the partnership and the members thereof to third persons. (n)"

10 "Article 2206. The amount of damages for death caused by a crime or quasi-delict
11 shall be at least [three thousand pesos] **ONE HUNDRED SIX THOUSAND FIVE**
12 **HUNDRED TWENTY SIX AND THIRTY THREE CENTAVOS**, even though there
13 may have been mitigating circumstances. In addition:

14 (1) The defendant shall be liable for the loss of the earning capacity of the
15 deceased, and the indemnity shall be paid to the heirs of the latter; such indemnity
16 shall in every case be assessed and awarded by the court, unless the deceased on
17 account of permanent physical disability not caused by the defendant, had no
18 earning capacity at the time of his death;

19 (2) If the deceased was obliged to give support according to the provisions of
20 article 291, the recipient who is not an heir called to the decedent's inheritance by
21 the law of testate or intestate succession, may demand support from the person
22 causing the death, for a period not exceeding five years, the exact duration to be
23 fixed by the court;

24 (3) The spouse, legitimate and illegitimate descendants and ascendants of the
25 deceased may demand moral damages for mental anguish by reason of the death of
26 the deceased.

27 **SECTION 2.** All laws, presidential decrees, executive orders, proclamations
28 and/or administrative regulations which are inconsistent with the provisions of
29 this Act are hereby amended, modified, superseded or repealed accordingly.

30
31 **SECTION 3.** This Act shall take effect fifteen (15) days from its publication in
32 the Official Gazette or at least three (3) newspapers of national circulation.

33
34 Approved,