

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City, Metro Manila

EIGHTEENTH CONGRESS  
First Regular Session

House Bill No. 5584



Introduced by Representative PAULINO "DOY" SALVADOR C. LEACHON

**EXPLANATORY NOTE**

This bill seeks to further expand the jurisdiction of the first level courts nationwide, *i.e.*, the Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts by amending Batas Pambansa Blg. 129,<sup>1</sup> otherwise known as the "Judiciary Reorganization Act of 1980," as amended.<sup>2</sup> The intent of this bill is to help de-clog the dockets of the second level courts, or the Regional Trials Courts and increase the number of cases that can be covered by the simpler procedures and quicker resolution mandated by the Revised Rules on Summary Procedure and Revised Rules on Small Claims Cases.

Hereunder are examples of fair market values of different land types and their corresponding assessment levels in some cities within and outside Metro Manila conducted through the study of the Office of the Court Administrator. As can be gleaned from the same, the assessed values of nearly all sample properties fall under the jurisdiction of the Regional Trial Courts. The exceptions fall slightly short of the jurisdictional threshold of Twenty Thousand Pesos (P20,000.00) for first level courts outside Metro Manila.

**Table 1. Fair Market Value and Assessment Levels of Land**

Location	Ordinance	Land Type	Range of Base Unit Value <sup>3</sup>	Assessment Level
Quezon City	No. SP 2556, S-2016 (2016)	Residential	P3,000 – P25,000	5%
		Commercial	P15,000 – P40,000	14%
		Industrial	P12,000 – P18,000	14%
Parañaque City	No. 11-11 S-2011 (2011)	Residential	P1,200 – P7,000	20%
		Commercial	P3,000 – P20,000	50%
		Industrial	P3,000 – P5,000	50%
Santa Rosa City, Laguna	No. 2100-2017 (2017)	Residential	P1,620 – P8,560	13%
		Commercial	P5,560 – P10,570	28%
		Industrial	P1,900	35%
Naga City, Camarines Sur	No. 2001-095 (2002)	Residential	P50 – P1,200	15%
		Commercial	P2,500 – P12,900	20%
		Industrial	P1,400	35%
Province of Cebu	No. 2011-26 (2012)	Residential	P170 – P4,900	10%
		Commercial	P220 – P1,200	25%
		Industrial	P250 – P1,350	25%

<sup>1</sup> Judiciary Reorganization Act of 1980

<sup>2</sup> Republic Act (R.A.) No. 7691 (An Act Expanding the Jurisdiction of the Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts, Amending for the Purpose Batas Blg. 129, otherwise known as the "Judiciary Reorganization Act of 1980")

<sup>3</sup> Value per square meter



General Santos City	No. 2013-0959 (2014)	Residential	P120 – P15,000	14%
		Commercial	P900 – P20,000	20%
		Industrial	P900 – P20,000	20%

Based on the median of the base unit values and sample property sizes provided hereunder, the assessed values obtained are as follows (See Table 2):

Table 2. Assessment Values Based on Median and Sample Land Size

Location	Land Type	Property Size	Median Base Unit Value <sup>4</sup>	Assessment Value <sup>5</sup>
Quezon City	Residential	200 sqm	P12,000	P120,000
	Commercial	600 sqm	P27,500	P2,310,000
	Industrial	1,500 sqm	P15,000	P3,150,000
Parañaque City	Residential	200 sqm	P1,800	P72,000
	Commercial	600 sqm	P8,000	P2,400,000
	Industrial	1,500 sqm	P4,000	P3,000,000
Santa Rosa City, Laguna	Residential	200 sqm	P3,720	P96,720
	Commercial	600 sqm	P7,045	P1,183,560
	Industrial	1,500 sqm	P1,900	P997,500
Naga City, Camarines Sur	Residential	200 sqm	P600	P18,000
	Commercial	600 sqm	P7,700	P924,000
	Industrial	1,500 sqm	P1,400	P735,000
Province of Cebu	Residential	200 sqm	P680	P13,600
	Commercial	600 sqm	P410	P61,500
	Industrial	1,500 sqm	P445	P166,875
General Santos City	Residential	200 sqm	P630	P17,640
	Commercial	600 sqm	P3,250	P390,000
	Industrial	1,500 sqm	P3,250	P975,000

Below is a table summarizing the different rules applicable in the first level courts and the cases covered by each:

Table 3. Summary of Rules in the First Level Courts and Civil Cases Covered

Regular Rules		Revised Rules on Summary Procedure		Revised Rules on Small Claims Cases
Damages arising from quasi-delicts	Over P200,000 up to P400,000 (Metro Manila)	Damages arising from quasi-delicts	Up to P200,000 (Metro Manila)	Money claims from contracts of lease, loan, services, sale or mortgage not exceeding P400,000 (Metro Manila) and P300,000 (Outside)
	Over P100,000 up to P300,000 (Outside)		Up to P100,000 (Outside)	
Actions for probate and partition of estate	Not exceeding P400,000 (Metro Manila)	Unlawful detainer		Claims for liquidated damages arising from contracts not exceeding P400,000 (Metro Manila) and P300,000 (Outside)
	Not exceeding P300,000 (Outside)			
Actions involving	Not exceeding P50,000	Forcible Entry		Enforcement of barangay amicable settlement or arbitration

<sup>4</sup> 100% of the Median Base Unit Value. For lands beyond the standard depth as defined in the respective ordinances (beyond X no. of meters fronting asphalt or concrete streets or roads), a reduced percentage of the base unit value is applied.

<sup>5</sup> Assessment Value = Fair Market Value (Base Unit Value x Property Size) x Assessment Level



title, interest, or possession of real property	(Metro Manila) Not exceeding P20,000 (Outside)			award involving money (Sec. 417, R.A. 7160) not exceeding P400,000 (Metro Manila) and P300,000 (Outside)s
Actions in admiralty and maritime jurisdiction	Over P200,000 up to P400,000 (Metro Manila)	Actions in admiralty and maritime jurisdiction	Up to P200,000 (Metro Manila)	
	Over P100,000 up to P300,000 (Outside)		Up to P100,000 (Outside)	

According to the statistical reports of the Court Management Office, Office of the Court Administrator, 47,442 civil cases were filed with the first level court in 2018, 14% of which are covered by the Revised Rules on Summary Procedure, 66% are covered by the Revised Rules on Small Claims Cases, while 20% are covered by the regular rules. By year end, only 21,169 cases were left pending, with 15% covered by the Revised Rules on Summary Procedure, 66% by the Revised Rules on Small Claims Cases, and 19% by the regular rules.

**Table 3. First Level Courts Case Flow, Clearance, and Disposition for 2018**

Category	Pending as of December 2017	Inflow	Outflow	Pending as of December 2018	Clearance Rate	Disposition Rate
Summary Procedure	6,207	6,533	6,741	5,750	103%	53%
Small Claims	5,754	31,263	30,153	6,467	96%	81%
Regular Rules	7,871	9,646	8,563	8,952	89%	49%
<b>Total</b>	<b>19,832</b>	<b>47,442</b>	<b>45,457</b>	<b>21,169</b>		

Compare this to the inflow of civil cases in the second level courts, which was 68,457 for 2018, with 108,484 cases left pending at the end of the year despite an outflow of 65,363 cases.

**Table 4. Second Level Courts Case Flow and Pending Cases for 2018**

Pending as of December 2017	Inflow	Outflow	Pending as of December 2018
117,785	68,457	65,363	108,484

The above data show that first level courts have a high outflow of cases, which is more or less at par with their inflow, and a low number of cases pending at the end of the year, especially for those covered by the Revised Rules on Small Claims. The second level courts, however, have a high number of pending cases at the end of the year despite the close numbers of their case inflow and outflow.

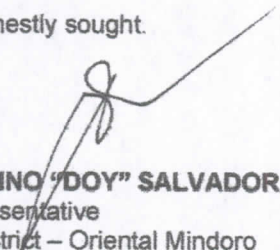
In the light of the above considerations, it is respectfully proposed that the jurisdictional threshold of the first level courts under Sec. 33 (1) and (3), B.P. 129, as amended by R.A. 7691, be increased to **Two Million Pesos (P2,000,000.00) for civil actions, probate proceedings (testate and intestate), and admiralty and maritime actions, and Four Hundred Thousand Pesos (P400,000.00)**

for civil actions which which involve title to, or possession of, real property, or any interest therein, whether in or outside Metro Manila.

It is also recommended that an additional provision be included providing for the **regular increase of both these jurisdictional amounts every five (5) years by One Hundred Thousand Pesos (P100,000.00)**, similar to Sec. 5, R.A. 7691. In accordance with the Local Government Code which requires the provincial, city or municipal assessor to undertake a general revision of property assessments every three (3) years.<sup>6</sup> Since 1994, the fair market value of real property has risen considerably. As a result, nearly all civil cases involving title to, possession of, or any interest in real property are filed with the second level courts. However, unlike the aforementioned provision, no other amendments to the jurisdictional amounts of the first level courts have been introduced since 22 February 2004, in spite of inflation and the constant increase in real property value.

To insure the orderly and speedy administration of justice and effectively de-clog the dockets of the second level courts, there is an urgent need to further expand the jurisdiction of the first level courts nationwide by amending Batas Pambansa Blg. 129, as amended.

In view of the foregoing, the approval of this bill is earnestly sought.



**PAULINO "DOY" SALVADOR C. LEACHON**  
Representative  
1<sup>st</sup> District – Oriental Mindoro

---

<sup>6</sup> Sec. 218, R.A. 7160, otherwise known as the Local Government Code of 1991.



Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City, Metro Manila

EIGHTEENTH CONGRESS  
First Regular Session

House Bill No. 5584

---

Introduced by Representative PAULINO "DOY" SALVADOR C. LEACHON

---

**AN ACT**

**FURTHER EXPANDING THE JURISDICTION OF THE METROPOLITAN TRIAL COURTS, MUNICIPAL TRIAL COURTS IN CITIES,<sup>7</sup> MUNICIPAL TRIAL COURTS, AND MUNICIPAL CIRCUIT TRIAL COURTS, AMENDING FOR THE PURPOSE BATAS PAMBANSA BLG. 129, OTHERWISE KNOWN AS THE "JUDICIARY REORGANIZATION ACT OF 1980," AS AMENDED**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

**Section 1.** Section 19 of Batas Pambansa Blg. 129, otherwise known as the "Judiciary Reorganization Act of 1980," As Amended, is hereby amended to read as follows:

"Section 19. *Jurisdiction of the Regional Trial Courts in Civil Cases.* — Regional Trial Courts shall exercise exclusive original jurisdiction:

x x x

(2) In all civil actions which involve the title to, or possession of, real property, or any interest therein, where the assessed value exceeds Four Hundred Thousand Pesos (P400,000.00), except for forcible entry into and unlawful detainer of lands or buildings, original jurisdiction over which is conferred upon the Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts;

(3) In all actions in admiralty and maritime jurisdiction where the demand or claims exceed Two Million Pesos (P2,000,000.00);

(4) In all matters of probate, both testate and intestate, where the gross value of the estate exceeds Two Million Pesos (P2,000,000.00);

x x x

(8) In all other cases in which the demand, exclusive of interest, damages of whatever kind, attorney's fees, litigation expenses, and costs or the value of the property in controversy exceeds Two Million Pesos (P2,000,000.00)."

**Section 2.** Section 33 of the same law is hereby amended to read as follows:

---

<sup>7</sup> The Municipal Trial Courts in Cities are not included in the enumeration of first level courts in B.P. 129, as amended by R.A. 7691.

1 "Section 33. *Jurisdiction of the Metropolitan Trial Courts, Municipal Trial Courts in Cities,*  
2 *Municipal Trial Courts, and Municipal Circuit Trial Courts in Civil Cases.* – Metropolitan  
3 Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit  
4 Trial Courts shall exercise:

- 5 (1) Exclusive original jurisdiction over civil actions and probate proceedings, testate  
6 and intestate, including the grant of provisional remedies in proper cases, where  
7 the value of the property, estate, or amount of the demands does not exceed Two  
8 Million Pesos (P2,000,000.00), exclusive of interest, damages of whatever kind,  
9 attorney's fees, litigation expenses, and costs, the amount of which must be  
10 specifically alleged: *Provided*, That interest, damages of whatever kind, attorney's  
11 fees, litigation expenses, and costs shall be included in the determination of the  
12 filing fees: *Provided, further*, That where there are several claims or causes of  
13 actions between the same or different parties, embodied in the same complaint,  
14 the amount of the demand shall be the totality of the claims in all the causes of  
15 action, irrespective of whether the causes of actions arose out of the same or  
16 different transactions;

17 x x x

- 18 (3) Exclusive original jurisdiction in all civil actions which involve title to, or possession  
19 of, real property, or any interest therein where the assessed value of the property  
20 does not exceed Four Hundred Thousand Pesos (P400,000.00) exclusive of  
21 interest, damage of whatever kind, attorney's fees, litigation expenses and costs:  
22 *Provided*, That in cases of land not declared for taxation purposes, the value of  
23 such property shall be determined by the assessed value of the adjacent lots.

- 24 (4) Exclusive original jurisdiction in admiralty and maritime actions where the demand  
25 or claim does not exceed Two Million Pesos (P2,000,000.00).

26 **Section 3.** Five (5) years from the effectivity of this Act and every five (5) years thereafter, the  
27 jurisdictional amounts mentioned in Sec. 19 (2), (3), (4) and (8), and Sec. 33 (1), (3) and (4) of Batas  
28 Pambansa Blg. 129, as amended by this Act, shall be increased by One Hundred Thousand Pesos  
29 (P100,000.00).

30 **Section 4.** All laws, decrees, orders, rules and regulations or part thereof inconsistent with this Act are  
31 hereby amended or modified accordingly.

32 **Section 5.** The provisions of this Act shall apply to all civil cases that have not yet reached the pre-trial  
33 stage. However, by agreement of all the parties, civil cases cognizable by the Metropolitan Trial Courts,  
34 Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts by the  
35 provisions of this Act may be transferred from the Regional Trial Courts to the former. The Supreme  
36 Court shall define the administrative procedure for the transfer of cases affected by the redefinition of

1 jurisdiction to the Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and  
2 Municipal Circuit Trial Courts.

3 **Section 6.** This Act shall take effect fifteen (15) days following its publication in the *Official Gazette* or  
4 in two (2) national newspapers of general circulation.

5 **Approved,**