



REPUBLIC OF THE PHILIPPINES

Sandiganbayan
Quezon City

Seventh Division

REPUBLIC OF THE PHILIPPINES,
Petitioner,

-versus-

DANILO MANGILA y PAYUMO
Respondent.

Criminal Case No.
SB11-CVL-0002

Present:

Gomez-Estoesta, J.
Chairperson
Trespeses, J.
Hidalgo, J.

Promulgated on:

July 1, 2019 *JG*

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DECISION

HIDALGO, J.

“The idea of going at people through their property has a long history. The theories as quite old. The prevalence of the practice is comparatively recent.”¹

STATEMENT OF THE CASE

This is a civil forfeiture case filed by the Office of the Ombudsman (“Ombudsman” for brevity) pursuant to Republic Act No. 1379 otherwise known as An Act Declaring Forfeiture in Favor of the State Any Property Found to have been Unlawfully Acquired by any Public Officer or Employee and Providing for the Proceedings Therefor (“RA 1379” for brevity) where respondent Danilo Mangila y Payumo (“respondent Mangila” for brevity) allegedly acquired properties manifestly out of proportion to his salary and to his other lawful income and his income from legitimately acquired properties.

¹ Daniel C. Richman, Fordham Law School, 1996

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ANTECEDENT FACTS

Petitioner, People of the Philippines, through the Ombudsman filed a Petition dated May 20, 2011² with a Verified *Ex Parte* Application for Issuance of a Writ of Preliminary Attachment on August 1, 2011. On September 5, 2011, this Court through its Second Division issued a Resolution³ GRANTING the prayer for the issuance of a Writ of Preliminary Attachment. On September 6, 2011, a Writ of Preliminary Attachment⁴ was issued where the Court directed Sheriff IV Alexander K. Valencia (Sheriff IV Valencia) to attach the estate, real and personal of respondent, not exempt from execution.⁵

Thereafter, the following Sheriff's Reports in compliance with the Writ of Preliminary Attachment were submitted by Sheriff IV Valencia:

1. Sheriff's Report dated October 12, 2011⁶ stating among others that he served the Notice of Attachment to the Offices of the Register of Deeds of Quezon City, Calamba, Laguna, and Trece Martirez City as well as to respondent Mangila at his residence at No. 55 Ipil Street, Sitio Seville, Neopolitan Subdivision, North Fairview Quezon City, through one Ronald Villegas;
2. Sheriff's Report dated November 3, 2011⁷ stating among others that subsequent to the October 18, 2011 Sheriff's Report, he served a Notice of Attachment to the Register of Deeds of Calapan, Oriental Mindoro, and
3. Sheriff's report dated June 8, 2012⁸ stating among others that on May 31, 2012, he went to the Quezon City Assessor's Office to serve the Notice of Levy pursuant to the Writ of Attachment.

Thereafter, Summons⁹ was served through substituted service to one Ronald Villegas, a person of suitable age and discretion residing at respondent Mangila's residence located at No. 55 Ipil Street, Sitio Seville, Neopolitan Subdivision, North Fairview, Quezon City, as per Sheriff's Return of Summons dated September 29, 2011.¹⁰

On December 8, 2011, respondent Mangila filed his Answer dated

² Record, Vol. No. 1, pp. 1-21

³ Record, Vol. 1, pp. 344-345

⁴ Record, Vol. 1, pp. 346-347

⁵ *Id* Dispositive Portion

⁶ Record, Vol. 1, pp. 353 to 354

⁷ Record, Vol. 1, pp. 414 to 415

⁸ Record, Vol. 1, p. 490

⁹ Record, Vol. 1, p. 350

¹⁰ Record, Vol. 1, p. 351

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December 6, 2011¹¹, raising as his affirmative defense long delay on the part of the Office of the Ombudsman in conducting the Preliminary Investigation of the case and thus, prayed that the Petition be dismissed for violation of his right to due process. Thereafter, the case was set for pre-trial on April 12, 2012.

On May 2, 2012, respondent Mangila filed a Motion to Allow [Respondent] to Submit Memorandum of Authorities and Documentary Evidence in Support of his Affirmative Defenses ("Motion to Allow" for brevity).¹² On May 18, 2012, petitioner filed a Manifestation stating among others that, while it does not object the filing of the motion to allow or to submit a Memorandum in support of his arguments in his affirmative defenses, it opposes the prayer of respondent Mangila to submit documentary evidence on the ground that, the same must be done during the course of the trial. Subsequently, petitioner on July 24, 2012, filed a Comment/ Opposition¹³ to the Motion to Allow.

Thereafter, in a Resolution¹⁴ dated September 4, 2012, this Court through its Second Division, **DENIED** respondent Mangila's prayer for the dismissal of the petition prompting him to file a Motion for Reconsideration¹⁵ which was likewise **DENIED** by this Court in a Resolution¹⁶ dated February 5, 2013.

Respondent Mangila then filed a Petition for Certiorari¹⁷ directed against this Court's Resolution dated September 4, 2012 with the Supreme Court but was **DISMISSED** by said Court in its Notice¹⁸ dated June 3, 2013. The subsequent Motion for Reconsideration was also denied with finality.¹⁹ Consequently, the Court issued an Entry of Judgment²⁰ stating that its Resolution dated June 3, 2013 has become final and executory.

Preliminary Conference and Pre-Trial were conducted on November 18, 2013 and January 15, 2014, respectively. The initial presentation of petitioner's evidence commenced on March 17, 2014.

¹¹ Record, Vol. 1, pp. 416-434

¹² dated April 26, 2012, Record, Vol. 1, pp. 472-473

¹³ Record, Vol. 1, pp. 518-521

¹⁴ Record, Vol. 1, pp. 532-537

¹⁵ Record, Vol. 2, pp. 548-554

¹⁶ Record, Vol. 2, pp. 571 - 576

¹⁷ Record, Vol.2A, pp. 1-22

¹⁸ Record, Vol.2A, p. 65

¹⁹ Resolution, Record. Vol. 2, p. 645

²⁰ Record, Vol. 2, pp. 652-653

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THE CASE

CLAIM OF THE PETITIONER

To bolster the allegation in the Petition, petitioner presented the following witnesses:

SOFIA MALALUAN ETCHANO, 54 years old, separated, Administrative Officer V, Records Management Division, Directorate for Personnel and Records Management, Philippine National Police, residing at 710-G, San Marcelino St., Ermita Manila.

To expedite the proceeding, Prosecutor Bienvenida A. Gruta ("Prosecutor Gruta) offered for stipulation her testimony consisting of the existence and genuineness of the documents consisting of the Service Record of the respondent which she requested to be marked as **Exhibit "A"**; the Statement of Assets and Liabilities and Net Worth of the respondent for the years 1998, 1999, 2000, 2001, 2002, 2003 and 2004, which she requested to be marked as **Exhibits "C", "C-1", "C-2", "C-3", "C-4", "C-5" and "C-6"**, respectively, which the counsel for respondent admitted.

SONIA CHAVEZ HOLGADO, 56 years old, married, Officer-in-Charge, Office of the Vice President, NCR Area 1, GSIS, presently residing at Block 12, Lot 7, Fensing Street, Villa Olympia 4, San Pedro, Laguna

She testified that she is presently the Officer-in-Charge of the Office of the Vice President, NCR Area 1 of the Government Service Insurance System (GSIS) and that she took the witness stand to authenticate the Service Record of respondent Mangila which was extracted from the GSIS membership data base which she personally submitted to the Ombudsman being the then Manager of the Membership Department.²¹ She then identified the signature on the bottom page of the first page of the said document as her signature.

On **CROSS EXAMINATION**,

She clarified that the copy of the Service Record was not downloaded from the internet but is actually the screenshot of the membership data base from the [GSIS] computer system but admitted that she was not the one who entered the data in the data base.²²

²¹ TSN dated April 1, 2014, pp. 8-9

²² *Id.*, at p.10

Lastly, she insisted that, the GSIS has ways of verifying the correctness of the date by referring to the original documents and that, her only participation in the said document was the making of a screen shot.²³

On RE-DIRECT EXAMINATION,

She testified that as far as the Service record is concerned, she assumed that the information contained therein came from the Philippine National Police and the Land Transportation Office and these two government agencies submitted the same to the GSIS.²⁴

On RE-CROSS EXAMINATION,

She candidly admitted that she was not personally present when the Service Record was submitted [to the GSIS.]²⁵

GLENN GRIMPOLA POLO, 33 years old, married, employed as a Statistician III at the National Statistics Office, presently the Philippine Statistics Authority, residing at 3228 Road 3, Teachers Village, General P. de Leon, Valenzuela City

He identified and authenticated two (2) documents namely: (a) Letter from the Officer-in-Charge and National Statistician Camelita Renigba and, (b) Written Table of Family Expenditure for the period 1997 to 2004.²⁶ He also presented three (3) Publications which covered the period 1997 to 2003, a 1997 Family Income and Expenditure Survey.

ON CROSS EXAMINATION,

He candidly admitted that he is the Complier of the Data requested by the Ombudsman and as such, he is just the one who presented statistics by referring to books from previous surveys.²⁷

When asked as to the number of families who participated, he admitted that this could be answered by the subject matter Specialist because the latter is the one conducting survey and the one who processes the data, but based on experience, he said that the number of families who participated is around fifty thousand (50,000).

He admitted that there is no actual physical documents to show that these families actually participated in the survey and that he has no knowledge in determining how the family should participate in the survey

²³ *Id*

²⁴ *Id* at pp. 12-13

²⁵ *Id* at p. 13

²⁶ TSN dated May 26, 2014, p. 4, Exhibits "O: to "OO-4"

²⁷ *id*, p. 9

and that the results of the survey are accurate.²⁸

EMILIO BAGUISO NARIZ, JR., 56 years old, married, Acting Manager of the Treasury Department, Bangko Sentral ng Pilipinas and a resident of 14E, Ikong Street, Bagong Ilog, Pasig City

He testified that as the acting manager of the Treasury Department of the Bangko Sentral ng Pilipinas ("BSP" for brevity), he is tasked to serve the requirements of the national government and the preparation of the reference exchange rate bulletin.²⁹

He likewise identified and authenticated a copy of an Original Certificate with attached exchange rates from 1997 to 2004. He identified a Certification which are schedules of exchange rates, eight (8) pages of Philippine peso to United States dollars for the years 1997 to 2004. He admitted though that, the source of these schedules, is the data based from the Treasury Department of BSP which he prepares.³⁰ When subjected to deeper probing, he clarified that the schedule [of rates] that he prepared was the daily rate of the Philippine peso against the United States dollar; whereas the other schedule pertains to the average exchange rate for the year.³¹

ON CROSS EXAMINATION,

He admitted that prior to his appointment as the acting manager of the Treasury Department of BSP, he was a dealer at the Treasury Department of the same agency.

He explained that the data base [from where he derived the documents] is being updated by the Economic and Financial Learning Center of the BSP based on the exchange rate bulletin that his department prepares³² but candidly admitted that he has no participation in making the entries thereto.³³

ON RE-DIRECT EXAMINATION,

He explained that in order to certify the correctness and accuracy of the entries, his department compares the entry of the date base and the reference exchange rate bulletin.³⁴

²⁸ *Id.* pp.10-11

²⁹ TSN dated August 11, 2014, pp.7-8

³⁰ *Id.* p.11, Exhibits "QQ" to "QQ-9"

³¹ *id*

³² *Id* at p.14

³³ *Id* at p. 16

³⁴ *Id* at p. 18

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ON RE-CROSS EXAMINATION,

He acknowledged that nothing in the Certification that affirms that the data contained therein came from the bulletin.³⁵

IN ANSWER TO THE CLARIFICATORY QUESTIONS OF THE COURT,

He emphasized that the data is based on the reference exchange rate bulletin prepared by the Treasury Department of the BSP.³⁶ He also added that the BSP officially releases on a daily basis the exchange rate from United States Dollar to Philippine Peso.³⁷

He further explained that while it is true that exchange rates fluctuate, the exchange rate is based from the total transaction for the day and at the end of the day at 4:00 in the afternoon, the weighted average rate will be extracted which will determine the exchange rate for the following day.³⁸

ARABELLE ORDOÑA PETILLA, 53 years old, married, Chief Record Section of the Land Transportation Office Central Office, residing at 35 Aquarius Street, Cruzville Subdivision, Quezon City

She enumerated the tasks of her office which include³⁹:

1. Request for motor vehicle verifications;
2. Handling of requests for system updates;

As the Chief of Records, her most important function is to prepare correspondence, letters and to sign documents.

Upon deeper probing, she identified a letter dated February 28, 2005 that her office issued to the Office of the Ombudsman in 2005 indicating among others that, there are nineteen (19) motor vehicles registered under the name of respondent Mangila⁴⁰ as per list obtained from the LTO-Information Technology Database. She continued to testify that, Certificates of Registration and Official Receipts of the described motor vehicles are (*sic*) filed at the LTO District Offices such that she has no physical copies of the same.⁴¹

³⁵ *Id* at p. 23

³⁶ *Id* at p. 20

³⁷ *Id* at p. 24

³⁸ *Id* at p. 25

³⁹ *Id* at pp. 33-34

⁴⁰ *Id* at p. 34, Exhibits "B", "B-1" to "B-6"

⁴¹ *Id* at p. 36

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When confronted about a Toyota RAV4 2001 model with Plate Number RAV480, she said that it was registered with LTO San Juan District Office as indicated by the first four (4) digits of the "MB" file numbers. Another vehicle described as a Toyota Hi-Ace with Plate Number XBW909, also under the name of respondent Mangila, she said that it is registered at the LTO-Quezon City District Office, while a 1999 Toyota Corolla with Plate Number TVL703, is registered at the Manila East District Office.⁴²

ON CROSS EXAMINATION,

She admitted that in the year 2005 when she made the verification of the vehicles registered under the name of respondent Mangila, she was not the one who actually checked the data base but insisted that she double checked it and she was the one who prepared the letter [dated February 28, 2005].⁴³

She likewise admitted that while there might be different persons who are named Danilo Mangila, during the verification [in preparation to this case], respondent Mangila appeared to be the owner of [some] vehicles. There is also a possibility that respondent Mangila may have sold the vehicles to somebody else. She also explained that, for a conveyance of ownership over a motor vehicle, [ideally], there must be an evidence of transaction although she admitted that there are instances when a conveyance may not be registered with the LTO.⁴⁴ Lastly, she confessed that she has no way of knowing a particular vehicle was actually sold or transferred already by respondent Mangila.⁴⁵

MANOLO DE ASIS MELENDREZ, 33 years old, married, a Confidential Agent at the Bureau of Immigration, residing at 366 Zabala St., Tondo, Manila

He testified that he works at the Verification and Certification Unit tasked to verify the arrival and departure of a person.

In the course of his testimony, he identified five (5) Certifications (*Exhibits "PP", "PP-1", "PP-2", "PP-3", "PP-4"*) and testified that he himself verified and printed out these Certifications including a "list" attached thereto.⁴⁶

He also testified that, the sources of data appearing in the attached "list" are the "original travel records" from the computer data base of the Bureau of Immigration ("BI") main computer section and in the other

⁴² *Id* at pp. 36-37

⁴³ *Id* at p. 39

⁴⁴ *Id* at pp. 41 to 42

⁴⁵ *Id*

⁴⁶ TSN dated September 4, 2014, pp.5-6

airports⁴⁷ namely [NAIA] Terminal 1, 2, 3, Davao, Cebu, Clark and Riyadh International Airports.⁴⁸

ON CROSS EXAMINATION,

He explained that he was the one who verified the entries in this certification because he was the one who prepared it and placed his initial thereto⁴⁹ and then [his] Chief will sign the certification.⁵⁰

Since he was the one who printed and verified the certification, he denied the idea that he is not in the position to tell whether or not the attached "list" is correct or not.⁵¹

ON RE-DIRECT EXAMINATION,

He insisted that he was the one who printed the "list of travels" and he was the one who looked for the details of the person including the name and date of birth.⁵²

IN AN ANSWER TO THE CLARIFICATORY QUESTIONS OF THE COURT,

He admitted that the data appearing in the data base were entered by an Immigration Officer from the "little card" presented by the passenger and the data was checked via a link to the main computer of the BI.⁵³

ANDRELIZA ROBLES CALA, 49 years old, married, Division Chief of the Bureau of Internal Revenue, residing at No. 142 Matimtiman Street, Sicutuna Village, Quezon City.

She testified that she started working at the Bureau of Internal Revenue (BIR) in 1996 and currently, she is the Division Chief Data Warehousing and Systems Operations Division since 2013. Her main duties include:⁵⁴

1. Extract and provide data for different BIR Offices as well as other government agencies;
2. Administer hardware and data bases of BIR;
3. Monitor the submission and uploading of data.

⁴⁷ *Id* at p.7

⁴⁸ *Id* at p.8

⁴⁹ *Id*, p.9

⁵⁰ *Id*, p.10

⁵¹ *Id*, p.11

⁵² *Id*, p.12

⁵³ *Id*, p. 13

⁵⁴ TSN dated November 26, 2014, p. 5

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She narrated that the BIR has two (2) basic data bases. The first is the Integrated Tax System established between 1994 to 1996 and the other one is the Data Warehouse Data Base established in 2002.

She continued to testify that she has with her a one page Certification dated November 18, 2014 ("Exhibit HH") which contains the income tax return information and the Alpha List submitted by withholding agents, with two (2) annexes.

With respect to Annex 1, she narrated that it came from the Integrated Tax System Data Base which contains the information of the income tax return of the taxpayers. On the other hand, Annex 2 pertains to an Alpha List submitted by withholding agents. That based on Annex 2, the Taxpayer Identification of respondent Mangila is 140538734. However, his wife, Adora B. Mangila has no record of taxpayer identification number.⁵⁵ More, she testified that the following immediate members of the family of respondent Mangila namely, Sherwin B. Mangila, Edwin B. Mangila, Junson B. Mangila, have no taxpayer identification numbers covering the period 1998 to 2004.⁵⁶

ON CROSS EXAMINATION,

She admitted that the data base under Annex 1 and 2 are already existing even before she was appointed and that the entries therein were not entered by her.⁵⁷ Simply put, she has no personal knowledge of the authenticity and veracity of the entries therein.⁵⁸

ON RE-DIRECT EXAMINATION,

She explained that the Integrated Tax System is updated by a personnel of the District Offices while the Alpha List is updated by electronic submission of the tax payer.⁵⁹

ON RE-CROSS EXAMINATION,

She candidly admitted that she does not know the names of the personnel who encoded the data and how many are they who do the encoding.⁶⁰

IN ANSWER TO THE CLARIFICATORY QUESTIONS OF THE COURT,

⁵⁵ *Id.*, p. 8

⁵⁶ *Id.*, p.9

⁵⁷ *Id.* at p. 16

⁵⁸ *Id.* at p. 17

⁵⁹ *Id.*, p. 19

⁶⁰ *Id.*, p. 22

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She testified that the [BIR] has a mechanism of system validation to ensure that the entries in the documents are the same as the data encoded but she admitted that, she cannot say how are these errors can be detected despite the mechanism of validation.⁶¹

ATTY. CARLO BITANGCOL ALCANTARA,
50 years old, married, Deputy Register of Deeds of
Quezon City, residing at Dollar corner Pisetas
Streets, North Fairview, Quezon City.

He swore that he is currently the Deputy Register of Deeds III of Quezon City and his duties include:

1. Assists the Register of Deeds of Quezon City in the registration of land, titles and deeds of real and personal property within the jurisdiction of Quezon City;
2. Issue certification and certified true copies of titles of properties [situated] within Quezon City;
3. Supervision of the personnel Registry of Deeds of Quezon City.

He testified that, TCT No. 248594⁶² is registered in the name of spouses Danilo P. Mangila and Adora Mangila. A two page certified true copy of said TCT signed by him was issued last March 15, 2005. He also stated that DBH Development Corporation executed a Deed of Absolute Sale in favor of spouses Danilo P. Mangila and Adora Mangila over a property covered by TCT No. 37564.⁶³ He similarly identified a certified true copy of TCT No. N-202996⁶⁴ under the name of Danilo P. Mangila.⁶⁵ Lastly, he also identified a certified true copy of TCT No. N-275686⁶⁶, registered under the names of Danilo P. Mangila and Adora Mangila.⁶⁷

MARIA CHONA UNDAZAN, Records Officer,
Registry of Deeds of Calamba City.

To expedite the proceeding, her testimony was offered for stipulation consisting of the fact that she can identify the original copy of TCT No. 7355409 registered under the name of Danilo P. Mangila, to which the counsel for respondent Mangila stipulated.⁶⁸ Thus, dispensing with her presentation on the witness stand.

⁶¹ *Id.*, p. 23

⁶² Exhibit "F"

⁶³ *Id.*, pp. 6-7

⁶⁴ Exhibit "G"

⁶⁵ *Id.*, p. 9

⁶⁶ Exhibits "H"

⁶⁷ *Id.*, p. 10

⁶⁸ TSN dated March 9, 2005, p. 4, Exhibit "J"

MARILOU N. IBAÑA, Records Officer, Office
of the Register of Deeds of Calapan City

Her proposed testimony was stipulated consisting of the fact that she can identify the original copy of TCT No. 86118, registered under the name of Danilo P. Mangila, which the counsel for respondent Mangila stipulated. Thus, with dispensing her presentation to the witness stand.⁶⁹

VICKY RAMOS, working at the Business Permit
and Licensing Office, the Local Government Unit of
Quezon City.

To expedite the proceedings, she identified a Certification dated May 2005, stating among others that, "no business permit has been issued in the names of P/C Supt Danilo P. Mangila and/or NIN or NINE TIATS SERVICES AND CAR MERCHANT." Said Certification was taken from a computer data base of the Quezon City Business Permits and License Office.⁷⁰

DANISA FAUSTINO, Chief of Division,
Assessor's Office, Assessment Records Management
Division, Quezon City.

She attested to the authenticity of a Declaration of Real Property under the name of spouses Danilo P. Mangila and Adora Mangila, describing a parcel of land situated at Lot 54, Block 168, North Fairview [Quezon City] but clarified that there is no record of improvement on the said parcel of land.⁷¹

CARIDAD LIMBO, Records Officer, Office of
the Register of Deeds, Trece Martires City, Cavite.

She brought to the Court and identified an original copy of a Deed of Absolute Sale entered by Fil-State Properties Incorporated and Danilo P. Mangila, which the prosecution offered for stipulation which respondent Mangila admitted. Thus, dispensing her presentation to the witness stand.⁷²

GRACIANO GALANG ALDABE, 53 years old,
married, City Assessor of Calamba City, residing at
270 Barangay Uwisan, Calamba City.

He testified that he was appointed as the City Assesor of Calamba City in the year 1993 and brought to the Court copies of Tax Declarations (Exhibit E-4 and Exhibit E-4-a).

⁶⁹ *Id.* p.7, Exhibit "K"

⁷⁰ TSN dated March 24, 2015, pp. 14-15, Exhibit "JJ"

⁷¹ *Id.* p. 24, Exhibit "E"

⁷² TSN dated May 26, 2015, Exhibit "N¹²"

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ON CROSS EXAMINATION,

He explained that Tax Declaration marked as "Exhibit E-4" is the old one while the Tax Declaration marked as "Exhibit E-4-a" is the updated one and it is the one that his office is using because it was revised in 2013 as mandated by City Ordinance No. 544, Series of 2013, updating the valuation of real properties of Calamba City.⁷³ He likewise explained that there is a separate Tax Declaration if there is an improvement on a particular lot.⁷⁴

When he was made to explain with respect to the variance in the amount of assessment between Exhibits "E-4" and Exhibit "E-4-a", he said that the old Tax Declaration (Exhibit E-4) was revised during the 1999 revision of real property and that the valuation during that time was much lower compared to the valuation in 2013, such that it would appear that the property bought by respondent Mangila way back in 1993 costs less as compared to 2014.⁷⁵

MANUELITO PUEBLO BUHAIN, 52 years old, married, City Assessor of Trece Martirez City, Cavite, residing at 082 Barangay Osorio, Trece Martirez City, Cavite.

He brought to the Court a certified photocopy from the original of Tax Declaration of Real Property No. 002-03-1077, covering a parcel of land situated at Lot. 22, Block 7, Sherwood Hills. under the name of Danilo Mangila.⁷⁶ He further testified that, Tax Declaration of Real Property No. 002-03-1077 has a new Tax Declaration which is Tax Declaration No. 158-R⁷⁷, a revised Tax Declaration which took effect in 2011, also under the name of respondent Mangila.⁷⁸ Other than the Tax Declaration Number, another difference between the two is with respect to the unit value and market value and the assessed value.⁷⁹

ON CROSS EXAMINATION,

He testified that the revision was made pursuant to a Sanggunian Resolution. He cannot testify to the fact that if a Tax Declaration was issued in 2000, respondent Mangila bought the property in the same year.⁸⁰ He admitted also that the value of the present property is more [valuable] than

⁷³ TSN dated August 3, 2016, p. 9

⁷⁴ *Id.*, p.10

⁷⁵ *Id.*, p. 11

⁷⁶ *Id.*, p. 15, Exhibit "E-1"

⁷⁷ Exhibit E-1-a

⁷⁸ *supra*, p.16

⁷⁹ *Id.*, p.17

⁸⁰ *Id.*, p.20

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the previous value.⁸¹

ROBIN CLEMENT MARASIGAN VILLAS,
48 years old, married, Assistant City Assessor,
Calapan City.

He testified that he was authorized by the City Assessor of Calapan City to present [to this Court] a Tax Declaration (Exhibit "E-5")⁸² under the name of Danilo Mangila.⁸³ That Tax Declaration marked as Exhibit E-5 was revised and was later on denominated as [Tax Declaration TD No. 11-014-00720, under Property Identification No. 029-05-014-03-231-0000].

ON CROSS EXAMINATION,

He emphasized that he has an authority to identify and authenticate the Tax Declarations and that there was a revision done in 2011, although he admitted that he cannot testify with respect to Exhibit E-5 or until respondent Mangila bought the [document] of the property described therein.⁸⁴

ATTY. SHEARA LOPANGO TAMAYO, 35
years old, married, Securities Counsel III, Securities
and Exchange Commission, residing at Block 1, Lot
13B, Dalandan Street, Town and Country Executive
Village, Mayamot, Antipolo City.

She testified that she is currently assigned at the Corporate and Partnership Registration Division, Company Registration and Monitoring Department of the [Securities and Exchange Commission].⁸⁵ That in response to the subpoena issued by the OSP, her office issued four (4) Certifications relating to the following four (4) corporations, namely:⁸⁶

1. Multi-Orient Satelite Group, Inc⁸⁷,
2. Samahang Kabuhayang mga Kawal, Pulis at mga Kawani ng Mindoro Oriental, PC-INP Command, Inc⁸⁸.
3. SP 2000 Videoke Disco and Restaurant Corporation⁸⁹, and
4. SP 2000 KTV and Restaurant Corporation.⁹⁰

When asked what is her participation in the preparation of these

⁸¹ *Id.*, p.21

⁸² Assessment of Real Property Number 97-014-00636

⁸³ *supra*, p.25

⁸⁴ *supra*, p.31

⁸⁵ TSN dated October 26, 2015, p. 6

⁸⁶ *Id.*, p.9

⁸⁷ Exhibit NN-2

⁸⁸ Exhibit NN-3

⁸⁹ Exhibit NN-4

⁹⁰ Exhibit NN-5

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Certifications, she said that reviewed the same and she personally saw Atty. Mallari, the Officer-in-Charge of the Corporate Filing and Records Division, signed the same.⁹¹

She then presented certified true copies of the Cover Sheet, Report of Independent Certified Public Accountant, Tax Returns, Balance Sheet, Income Statement, Schedule of Taxes and Licenses for the years 1995, 1997, 1998, 1999⁹² of the SP 2000 Videoke and Restaurant Corporation. She also presented financial documents for the SP 2000 KTV and Restaurant.

Likewise, she presented the Audited Financial Statements of Multi-Orient Satellite Group, Inc., for the years 2006, 2004, 2003, 2002 and 2001, and other documents.

ON CROSS EXAMINATION,

She insisted that as a custodian of the documents mentioned above, she can attest to the veracity of the Articles of Incorporation⁹³ but as to the reports submitted by the accountant, she cannot confirm the accuracy of the same.⁹⁴

When confronted about the Articles of Incorporation of SP 2000 KTV and Restaurant Corporation and SP 2000 Videoke Disco, she said that it appears that the name of respondent Mangila appears as one of the incorporators of these two corporations but she cannot confirm if the shares of respondent Mangila were already sold unless she sees pertinent documents.⁹⁵ Lastly, she confirmed that there are no General Information Sheets attached to the documents she presented.⁹⁶

EDDIE O. FERNANDO, 64 years old, single,
Record Officer of the Land Transportation Office,
Pasig City District Office, residing at 121 Masila
Street, Barangay Pineda, Pasig City.

He brought to Court a copy of Exhibit "U" which is an Official Receipt, Exhibit "U-1", a Certificate of Registration and a Certification dated March 9, 2005 as Exhibit "U-2", all pertaining to a Kymco Apex Dink 150 motor cycle, which [their] existence and due execution were all admitted by the defense.⁹⁷ He also identified Exhibit "U-3" which is an Invoice No. 4382 of Victoria Export and Import, Inc., Exhibit "U-4", a Confirmation Certificate CC No. 33151397 and Exhibit "U-5", a PNP

⁹¹ *supra*, p.10

⁹² *Id.*, pp. 4-5

⁹³ *Id.*, p.10

⁹⁴ *Id.*, p. 11

⁹⁵ *Id.*

⁹⁶ *Id.*, p.13

⁹⁷ TSN dated June 29, 2016, p. 13

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Motor Vehicle Clearance Certificate and lastly, Exhibit "U-6" which is a motor vehicle Inspection Report.⁹⁸

ON CROSS EXAMINATION,

He testified that he has been with the LTO as Records Officer for the past twenty (20) years.

MARCELINO T. REYES, 62 years old, single, presently residing at San Rafael Street, Sipac, Navotas, Metro Manila.

To expedite the proceedings, his testimony was offered for stipulation consisting of the fact that he was the Records Officer of the LTO Diliman District Office and he was the custodian of the records of the vehicles registration and related documents in the District Office⁹⁹. The OSP likewise offered for stipulation respecting the authenticity and due execution of the following documents:

1. That the Official Receipt No. 28037384 dated September 28, 1995 for the vehicle Tamaraw X Wagon was registered under the name of Danilo P. Mangila ;¹⁰⁰
2. That the Certificate of Registration No. 31486421 dated September 26, 1995, for the vehicle Tamaraw X Wagon was registered under the name of Danilo P. Mangila;¹⁰¹
3. That a Vehicles Sales Invoice dated August 29, 1995 was also under the name of Danilo P. Mangila;¹⁰²
4. That a Certificate of Registration No. 68356978 dated August 2, 2000, for the vehicle Chevrolet Sporst Van and its Official Receipt No. 54849172 dated August 2, 2000 are both under the name of Danilo P. Mangila;¹⁰³
5. That a Deed of Absolute Sale notarized on January 28, 2000 reflects the names of one Mercedita E. Gutierrez as the vendor and Danilo P. Mangila as vendee of a Chevrolet Sports Van;¹⁰⁴
6. That a Certificate of Registration No. 2830137-0 dated May 12, 2004 and Official Receipt No. 156363476 dated May 12, 2004 relates to a Honda Motorcycle, also under the name of Danilo P. Mangila;¹⁰⁵
7. That a Certificate of Registration No. 2838911-5 dated May 5, 2004 and Official Receipt No. 15384314-1 dated May 5, 2004 relates to a Harley Davidson Motorcycle, under the name of

⁹⁸ *Id.* p. 18, Exhibit "V-1"

⁹⁹ TSN dated June 30, 2016, p. 6

¹⁰⁰ *id.* p.8, Exhibit "V-1"

¹⁰¹ *id.* p. 9, Exhibit "V"

¹⁰² *id.* p. 10, Exhibit "V-2"

¹⁰³ *id.* p. 11, Exhibit "Y"

¹⁰⁴ *id.* p. 12, Exhibit "Y-2"

¹⁰⁵ *id.* p. 13, Exhibit "Z"

Danilo P. Mangila;¹⁰⁶

8. That there was an undated Contract of Sale between one Edgardo Ilacad as seller and Danilo P. Mangila as buyer of a Hyundai Starex Van which became a supporting document for the Certificate of Registration No. 28322190 dated October 11, 2011.¹⁰⁷

Which the counsel for respondent Mangila all **ADMITTED** but propounded some questions.

ON CROSS EXAMINATION,

He described the following vehicles and its respective Plate Numbers:

1. Plate Number DPM 909 which retains to a five- door Toyota Tamaraw Wagon;
2. Plate Number WLW 999 for the Chevrolet Sports Van;
3. Plate Number UR 5558 for the Hinda Motorcycle;
4. Plate Number UR 5555 for the Harley Davidson Motorcycle
5. Plate Number XSS 888 for the Hyundai Starex Van

He further testified that these vehicles are still under the name of respondent Mangila when he was called to testify.¹⁰⁸ He added though that the Hyundai Starex Van, was originally registered in his name, it is now registered to one Gloria S. Santos.¹⁰⁹

EUGENIO S. AVILA, Records Officer, III, 41 years old, married, employee of LTO San Juan District Office, residing at No. 80 Severina Building, Ramon Magsaysay Boulevard, Quezon City.

His qualification as a Records Custodian of LTO San Juan was admitted. He brought with him some documents pursuant to a subpoena. That he affixed his signature on the certified true copies of the certificate of registration and official receipt for the vehicle Toyota RAV4 which were offered for stipulation and admitted by the counsel for respondent Mangila.¹¹⁰

Notwithstanding the admission, the counsel for responent Mangila propounded some questions for **CROSS EXAMINATION** where he testified that he became the Records Officer of LTO San Juan in 2015 and he came to this Court via a subpoena to testify about a Toyota RAV4

¹⁰⁶ *id.*, p. 14, Exhibit "AA"

¹⁰⁷ *id.*, p. 16, Exhibit "BB"

¹⁰⁸ *Id.*, p. 24

¹⁰⁹ *Id.*, p. 25

¹¹⁰ *Id.*, p. 30, Exhibit "Q", "Q-1" and "Q-2"

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registered under the name of Danilo P. Mangila.¹¹¹

JOEL LYSANDER TOPINO SUBO, 50 years old, married, a Records Custodian of the Accounting Division of LTO-Manila East District Office, residing at Lot 24, Block 26 Phase 2, dela Costa III, Barangay Graceville, San Jose del Monte, Bulacan.

In the course of his testimony¹¹², the OSP offered for stipulation the following documents which were all admitted as to their existence, due execution and authenticity by respondent Mangila:

1. Certificate of Registration No. 13357383 dated September 1, 1999 (Exhibit "S") under the name of Danilo P. Mangila;
2. Official receipt No. 27979896 dated September 1, 1999 (Exhibit "S-1") under the name of Danilo P. Mangila;
3. Toyota Corolla Vehicle Sales Invoice (Exhibit "S-2") also under the name of Danilo P. Mangila.;
4. Certificate of Registration No. 1416457 dated March 14, 2000 (Exhibit "DD") under the name of Danilo P. Mangila;
5. Official Receipt No. 43680317 dated March 14, 2000 (Exhibit "DD-1") under the name of Danilo P. Mangila;
6. Certificate of Registration No. 14144771 dated March 2, 2000 for the Toyota Corolla XL under the name of Danilo P. Mangila (Exhibit "EE");
7. Official Receipt No. 41995394 dated March 2, 2000 (Exhibit "EE-1") under the name of Danilo P. Mangila;
8. Toyota Vehicle Sales Invoice (Exhibit "EE-2").

LUCIETA LEGASPI ESTRELLA, 55 years old, married, Acting Records Officer at LTO Butel Bldg, P. Tuazon Cubao, Quezon City, residing at Block 91 Lot 46 Melody Plains Subdivision, Muzon San Jose del Monte, Bulacan.

In the course of her testimony¹¹³, the OSP offered for stipulation the following documents which were all admitted as to their existence and due execution by respondent Mangila:

1. Certificate of Registration No. 77600215 dated April 4, 2002 of Toyota Hi Ace Van, registered under the name of Danilo P. Mangila (Exhibit "R");
2. Official Receipt No. 09042704 dated April 4, 2002 (Exhibit "R-1")

¹¹¹ *Id.*, p. 37

¹¹² TSN dated August 11, 2016, pp. 7 to 14

¹¹³ *Id.*, pp. 14 to 27

3. PNP Motor Vehicle Clearance Certificate (Exhibit "R-2");
4. Toyota Vehicle Sales Invoice (Exhibit "R-3");
5. Certificate of Registration No. 37494033 dated September 20, 1996 of Toyota Corolla XL (Exhibit "T");
6. Official Receipt No. 52948822 dated September 20, 1996 (Exhibit "T-1");
7. PNP Motor Vehicle Clearance Certificate dated October 11, 1996 (Exhibit "T-2");
8. Toyota Vehicle Sales Invoice (Exhibit "T-3");
9. Certificate of Registration No. 382297833 dated October 10, 1996 for Toyota Corolla XL (Exhibit "W");
10. Official Receipt No. 53874527 dated October 10, 1996 (Exhibit "W-1");
11. PNP Motor Vehicle Clearance Certificate (Exhibit "W-2");
12. Toyota Sales Invoice (Exhibit "W-3")
13. Certificate of Registration No. 46657473 for Mitsukoshi Symphony Motorcycle (Exhibit "X");
14. Official Receipt No. 90554433 dated January 6, 1998 (Exhibit "X-1");
15. PNP Motor Vehicle Clearance Certificate (Exhibit "X-2");
16. PNP Sales Invoice (Exhibit "X-3");
17. Certificate of Registration No. 38230075 dated October 10, 1996 for Toyota Corolla motor vehicle (Exhibit "BB");
18. Official Receipt No. 53875348 dated October 10, 1996 (Exhibit "BB-1");
19. PNP Motor Vehicle Clearance Certificate (Exhibit "BB-2");
20. Toyota Vehicle Sales Invoice (Exhibit "BB-3");
21. Certificate of Registration No. 37493954 dated September 20, 1996 (Exhibit "CC");
22. Official Receipt No. 52948890 dated September 20, 1996 (Exhibit "CC-1");
23. PNP Motor Vehicle Clearance Certificate (Exhibit "CC-2");
24. PNP Vehicle Sales Invoice (Exhibit "CC-3")

IN ANSWER TO THE CLARIFICATORY QUESTIONS OF THE COURT,

He testified that, said vehicles as per records, are still under the name of respondent Mangila and there has been no transfer yet.¹¹⁴

DOLORES DEALAGDON EOLA, 54 years old, married, Supply Officer III, designated as Acting Records Officer, LTO Quezon City Extension Office, Cubao, Quezon City, residing at Block 37 Lot 17-C, Mandaluyong City.

¹¹⁴ *Id.*, p. 26

In the course of her testimony,¹¹⁵ the OSP offered for stipulation the following documents which were all admitted as to existence and due execution by respondent Mangila:¹¹⁶

1. Certificate of Registration Number 51446676 dated June 1, 1998 (Exhibit "FF"), under the name of Danilo P. Mangila with respect to Kymco Motorcycle Model 1998 with Plate Number WM 8888;
2. Official Receipt No. 105318066 dated June 1, 1998 (Exhibit "FF-1"), under the name of Danilo P. Mangila;
3. Sales Invoice (Exhibit "FF-2");
4. Confirmation Certificate dated June 2, 1998 (Exhibit "FF-3")

After the prosecution presented all of its witnesses, the following were offered as:

DOCUMENTARY EXHIBITS

EXHIBITS	DESCRIPTION
"A"	Certified true copy from the original, PNP Service Record of PCSUPT DANILO PAYUMO MANGILA, consisting of two (2) pages
"B" "B-1" -"B-6"	Original Letter dated February 28, 2005 from Arabelle O. Petilla, Chief, Records Section, Management and Information Division, Land Transportation Office; (7 pages)
"C"	Certified true copy from the original, Sworn Statement of Assets, Liabilities and Net Worth (SALN) as of December 31, 1998; consisting of two (2) pages
"C-1"	Certified true copy from the original SALN as of December 31, 1999 ; consisting of two (2) pages
"C-2"	Certified true copy from the original SALN as of December 31, 2000 ; consisting of two (2) pages
"C-3"	Certified true copy from the original SALN as of December 31, 2001 ; consisting of two (2) pages
"C-4"	Certified true copy from the original SALN as of December 31, 2002 ; consisting of two (2) pages
"C-5"	Certified true copy from the original SALN as of December 31, 2003 ; consisting of two (2) pages
"C-6"	Certified true copy from the original SALN as of December 31, 2004 ; consisting of two

¹¹⁵ *Id.*, p. 29

¹¹⁶ *Id.*, p. 30

- (2) pages
- “D” Original certification of Service record from GSIS Membership Database; consisting of two (2) pages
- “E” Certified true copy of **Tax Declaration of real Property** (2 pages) in the name of spouses Danilo P. Mangila and Adora Mangila
- “E-1” Certified true copy of **Tax Declaration of Real Property** dated July 17, 2000 covering Lot 22 Blk No. 7) located at Sherwood Hills, Cabezas, Trece Martires City (2 pages)
- “E-1-a” **Certified Xerox Copy of Tax Declaration of Real Property** dated **February 16, 2010**
- “E-2” Certified true photocopy of the original **Tax Declaration of Real Property** beginning year 2000 on residential Lot (Lot 55 Blk 168 Ipil St., North Fairview, Quezon) (2 pages)
- “E-2-a” Certified true photocopy of the original **Tax Declaration of Real Property** effective 1st quarter of 2006 on same property
- “E-2-b” Certified true copy of **Tax Declaration of Real Property** (2 pages) beginning 2nd quarter of 2001 on same property
- “E-2-c” Certified true photocopy of **Tax Declaration of Real Property** (2 pages)
- “E-2-d” Original **Certification** dated March 23, 2015
- “E-3” Certified true photocopy of **Tax Declaration of Real Property** on residential lot (Lot 56 Blk 168) effective 1st quarter of 2006 (2 pages)
- “E-3-a” Certified true photocopy of **Tax Declaration of Real Property** (2 pages) effective 2014
- “E-3-b” Original **Certification** dated March 23, 2015
- “E-4” Certified true copy of **Tax Declaration of Real Property** on residential lot (261 square meters) Lot 15 Blk. 3 in Calamba City, effective year 2000
- “E-4-a” Certified true copy of the original **Tax Declaration of Real Property** Certified true copy from the original SALN as of **December 31, 2000**; consisting of two (2) pages on same residential lot, effective year 2014
- “E-5” Original **Tax Declaration of real Property** on residential land (115 square meters) located in Lot No. 29 Blk. No. 3 Camilmil, Calapan, Oriental Mindoro, tax effectivity 1997
- “E-5-b” Authorization Letter from City Assessor’s Department, City of Calapan, Province of Oriental Mindoro, dated July 31, 2015
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- "F" Certified true copy of **Transfer Certificate of Title (TCT)** No. N-248594 (2 pages) for Lot 54 Blk. 168 situated in Quezon City
- "G" Certified true copy of **Transfer Certificate Title** No. -202966 for Lot 55 Blk. 168 Ipil St., North Fairview, Quezon City (pages)
- "G-1" Original **Certification** dated September 9, 2005 issued by Atty. Carlo V. Alcantara
- "H" Certified true copy of **Transfer Certificate Title** No. N-275686 consisting of two (2) pages for Lot 56 Blk. 168 situated in Quezon City
- "I" Certified Xerox/true copy of **Transfer Certificate of Title** No. T-47374, dated August 5, 1998 (2 pages) for Lot 22 Blk. 7 situated in Trece Martires City
- "I-1" Blue electronic copy of same TCT (2 pages)
- "J" Certified true/Xerox copy of the original **Transfer Certificate of Title** No. T-355409, dated January 8, 1996 (2 pages)
- "K" Certified machine copy of **Transfer Certificate of Title** No T-86118, dated September 8, 1996 (2 pages)
- "L" certified true copy of **Deed of Absolute Sale** dated January 15, 2002 (4 pages)
- "L-1" Bracketed portion in the second page of Deed of Absolute Sale
- "M" to "M-3" Blue certified electronic copy of **Deed of Absolute Sale** (4 pages)
- "N" Certified true copy of **Deed of Absolute Sale**, executed and entered into by and between DBH Development Corporation of Danilo P. Mangila
- "N-1" Bracketed portion on the second page showing the amount of consideration
- "O" Blue electronic certified copy of **Deed of Absolute Sale** by and between and Danilo P. Mangila, December 27, 1995 (4 pages)
- "P" to "P-5" Blue electronic certified copy of **Deed of Absolute Sale** dated July 29, 1996 (7 pages)
- "Q" Certified true copy of **Certificate of Registration** No. 21775465 dated March 2, 2001 of Toyota RAV 4 wagon Model 2001
- "Q-1" Certified true copy of LTO **Official Receipt** MVRR No. 71829156 dated March 2, 2001
- "Q-2" Certified true copy of undated Vehicle Sales Invoice issued by Toyota Balintawak, Inc. in the name of respondent
- "R" Certified true Xerox copy of LTO **Certificate of Registration** No. 77600215, dated April 4, 2002 of Toyota Hi-Ace Commuter van
- "R-1" Certified true copy of LTO **Official receipt** No. 09042704 dated April 4, 1996 in the name of the respondent

- "R-2" Certified true copy of **PP Motor Vehicle Clearance Certificate** dated March 26, 2002
- "R-3" Certified true copy of Toyota Manila Bay Corp. **Vehicle Sales Invoice** dated January 28, 2002 for Hi Ace van GL 2.0 model 2002
- "S" Certified true copy of **LTO Certificate of Registration No. 13357383** dated Sept. 1, 1999 for Toyota Corolla XL Tear model 1999
- "S-1" certified records copy of **LTO Official Receipt No. 27979896** dated Sept. 1, 1999
- "S-2" Certified records copy of undated **Vehicle Sales Invoice**
- "T" Certified true copy of **LTO Certificate of Registration No. 37494033** DATED Sept. 20, 1996 for Toyota Corolla XL tear model 1996, Plate o. ULG-797
- "T-1" Certified true Xerox copy of **LTO Official Receipt No. 52948822** dated Sept. 20, 1996
- "T-2" Certified true copy of **PNP Motor Vehicle Clearance Certificate** dated **October 11, 1996**
- "T-3" Certified true copy of undated Toyota Cubao. **Vehicle Sales Invoice**
- "U" Certified true Xerox copy of **Official Receipt No. 00185905** dated August 17, 1998
- "U-1" Certified true Xerox copy of **Certificate of Registration No. 52942836** dated August 17, 1998 for Kymco Apex Dink Motorcycle Model 1998
- "U-2" Xerox copy of **Certification** dated March 9, 2005 issued by Atty. Betty C. Diaz, CTRO
- "U-3" Certified true Xerox copy of **Sales Invoice** Number 4382 dated August 14, 1998 for Kymco Apex Dink Motorcycle
- "U-4" Certified true Xerox copy from Land Transportation Office, **Confirmation Certificate**, CC No. 33151397 dated August 17, 1998
- "U-5" Certified true Xerox copy of **PNP Motor Vehicle Clearance Certificate** for KYMCO Motorcycle year model-1998
- "U-6" Certified true copy of **Motor Vehicle Inspection Report**, MVIR No. 29100306; dated August 17, 1998
- "V" Certified true copy of **Certificate of Registration** No. 31486421 dated September 26, 1995 for Toyota Tamaraw X wagon with Plate umber DPM-909
- "V-1" Certified true copy of **LTO Official Receipt**, MVRR o. 28037384 dated September 26, 1995
- "V-2" Certified true copy of **Vehicle Sales Invoice**

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- issued by Toyota Alabang, dated August 29, 1995
- “W”** Certified true Xerox copy of LTO **Certificate of Registration No. 38229783** dated October 10, 1996 for Toyota Corolla XL Model 1996 Plate No. UMJ 181
- “W-1”** Certified true Xerox copy LTO **Official Receipt Number MVRR No. 53874527** dated October 10, 1996
- “W-2”** Certified true Xerox copy of **PNP Motor Vehicle Clearance Certificate** dated October 1996
- “W-3”** Certified true Xerox copy of undated **Vehicle Sales Invoice**, Toyota Cubao, Inc.
- “X”** Certified true Xerox copy LTO of **Certificate of Registration CR No. 46657473** dated January 6, 1998 for Mitsukoshi Symphony motorcycle with Plate No.
- “X-1”** Certified Xerox copy of LTO **Official Receipt No. 90554433** dated January 6, 1998
- “X-2”** Certified true Xerox copy of undated **PNP Motor Vehicle Clearance Certificate Control No. 97-266776-6**
- “X-3”** Certified true Xerox copy of Mitsukoshi Motors Philippines, Inc. **Sales Invoice No. 002423**
- “Y”** Certified true copy of **Certificate of Registration, No. 68356978**, dated August 2, 2000, for Chevrolet Sports car, year model 1988 with Plate Number DC-1237
- “Y-1”** Certified true copy of **Official Receipt, MVRR No. 54849172** dated August 2, 2000
- “Y-2”** Certified true copy of **Deed of Absolute Sale** year 2000, for Chevrolet Sports van
- “Z”** Certified true copy of **Certificate of Registration No. 2839137-0** dated May 12, 2004; for Honda Motorcycle, Plate Number UR-5558, year model 2003
- “Z-1”** Certified true copy of **Official Receipt No. 156363476** dated May 12, 2004; Plate Number UR-5558
- “AA”** Certified true copy of **Certificate of Registration No. 2838911-5** dated May 5, 2004; for Harley Davidson motorcycle Plate Number UR-5555, year model 2003
- “AA-1”** Certified true copy of Bureau of Customs **Certificate of Payment No. 05895741** dated March 28, 2004
- “BB”** certified true Xerox copy of LTO **Clearance of Registration No. 38230075** dated October 10, 1996 for Toyota Corolla XL year model 1996, with Plate Number UMJ-203

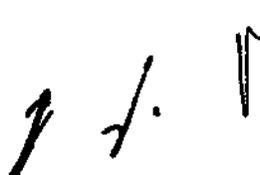
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- "BB-1" Certified true Xerox of LTO **Official Receipt No. 53875348** dated October 10, 1996
- "BB-2" Certified true Xerox copy of **PNP Motor Vehicle Clearance Certificate** control number 3341 October 1996
- "BB-3" Certified true Xerox copy of undated Toyota Cubao, Inc. **Vehicle Sales Invoice**
- "CC" Certified true Xerox copy of LTO **Certificate of Registration o. 37493954** year September 20, 1996 for Toyota Corolla XL year model 1996, with Plate Number ULR-902
- "CC-1" Certified true copy of LTO **Official receipt No. 52948890** dated September 20, 1996
- "CC-2" Certified true Xerox copy of **PNP Motor Vehicle Clearance Certificate** control number 2986, dated October 1996
- "CC-3" Certified true records copy of undated Toyota Cubao, Inc. **Vehicle Sales Invoice**
- "DD" Certified records copy of LTO **Certificate of Registration No. 14146457** dated March 14, 2000 for Toyota Corolla year model 2000
- "DD-1" Certified records copy of LTO **Official Receipt MVRR No. 43680317** dated March 14, 2000
- "DD-2" Certified records copy of undated **Vehicle Sales Invoice No. 00438824**
- "EE" Certified records copy of LTO **Certificate of Registration No. 1414477-1** dated March 2, 2000 for Toyota Corolla 4D sedan year model 2000
- "EE-1" Certified records copy of LTO **Official Receipt MVRR No. 41995394** dated March 2, 2000
- "EE-2" Certified records copy of Toyota Balintawak, Inc. undated **Vehicle Sales Invoice No. 00438824**
- "FF" Certified true copy of LTO **Official Receipt No. 105318066** dated June 1, 1998
- "FF-2" Certified true copy of Victoria Export and Import, Inc. **Invoice Number 3673** dated June 1, 1998
- "GG" Certified true copy of undated **Deed of Sale** by and between Danilo P. Mangila (vendor) and Edgardo R. Ilacad (vendee) re. Hyundai Starex van Plate o. XSS-888, year model 1999
- "GG-1" Certified true copy of **Certificate of Registration**, CRE No. 28322190 dated October 11, 2001 under the name of Edgardo R. Ilacad
- "GG_2" Certified true copy of **Certificate of Registration No. 67173704** dated May 16,

- 2000 in the name of Danilo P. Mangila
- “GG-3” Certified true copy of **Official Receipt** No. MVRR 561185277 dated August 2000, in the name of respondent
- “HH” Original BIR **Certification** dated November 18, 2014
- “HH-1” Original 1604CF Alphalist from the BIR issued by Andreliza R. Cala, Chief DWSOD extracted on November 18, 2014
- “HH-2” Bureau of Internal revenue (BIR) – 1604CF – Alphalist as submitted by withholding tax agent; extracted on November 18, 2014
- “II to II-1-c” Certified true copy of SP 2000 Videoke and Restaurant Corp. **Financial Statement for Fiscal Year ending December 31, 1999** (5 pages)
- “II-2 to II-2-f” Certified true copy of SP 2000 Videoke and Restaurant Corp. **Financial Statement Fiscal Year ending December 31, 1998** (7 pages)
- “II-3 to II-3-d” Certified true copy of Securities and Exchange Commission (SEC) Cover Sheet for **Financial Statement Fiscal Year ending December 31, 1997** (5 pages)
- “II-4” Letter dated April 10, 1996 of Accountant Rufina B. Abad to the Board of Directors of Sp-2000 Videoke Disco & Restaurant Corp. **Balance Sheet** as of Dec. 31, 1995
- “II-4-a” **Income Statement** as of December 31, 1995 (page 3 of 4 pages)
- “II-4-b” **Schedule of Taxes and Licenses**
- “II-4-c” Certified true copy of **Certificate of Registration and Articles of Incorporation** of SP-Videoke and restaurant Corp. issued by the SEC on February 9, 1994, (12 pages)
- “II-5”
- “JJ” Copy of **Certification** from Business Permits and License Office (Office of the City Mayor), Quezon City: Certification of NO Business Permit
- “KK to KK-1-a” Certified true copy of **Multi-Orient Satellite Group Inc. Financial Statement** as of December 31, 2006 (3 pages)
- “KK-2” Certified true copy of **Cover Sheet** of Multi-Orient Satellite Group Inc. Financial Statement period ended December 31, 2004
- “KK-2-b” Certified true copy of **Balance Sheet** as of December 31, 2004
- “KK-3” Certified true copy of **Cover Sheet** of Multi-Orient Satellite Group Inc. Financial Statement period ended December 31, 2003
- “KK-3-a” Certified true copy of **Report** of Independent Certified Public Accountant, Lydia F. Macalinao
- “KK-3-b” Certified true copy of **Balance Sheet** as of

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- December 31, 2003
- “KK-4” Certified true copy of Cover Sheet of **Multi-Orient Satellite Group Inc. Financial Statement** for period ended December 31, 2002
- “KK-4-a” Certified true copy of **Report** of Independent Certified Public Accountant, Lydia F. Macalinao
- “KK-4-b” Certified true copy of **Balance Sheet** as of December 31, 2002
- “KK-5” Certified true copy of cover sheet of of **Multi-Orient Satellite Group Inc. Financial Statement** for period ended December 31, 2001
- “KK-5-a” Certified true copy of report of Independent Certified Public Accountant, Lydia F. Macalinao-
- “KK-5-b” Certified true copy of **Balance Sheet** as of December 31, 2001
- “KK-6” Certified true copy of **Certificate of Incorporation and Articles of Incorporation** of Multi-Orient Satellite Group, consisting of nine (9) pages
- “LL” Certified true copy of Cover Sheet of SP 2000 KTV and Restaurant **Financial Statement** as of Dec. 31, 2004
- “LL-1” Certified true copy of **Report** (dated April 9, 2005) of Independent Certified Public Accountant, Nida Bernabe
- “LL-1-a” Certified true copy of **Balance Sheet** years ended December 31, 2004 and 2003
- “LL-1-b” Certified true copy of **Statement of Income and Retained Earnings** years ended December 31, 2004 and 2003
- “LL-1-c” Certified true copy of **Statement of Taxes and Licenses** for the years ended December 31, 2004 and 2003
- “LL-2” Certified true copy of SP 2000 KTV ad Restaurant **Financial Statement** year ended December 31, 2003 (5 pages)
- “LL-3” Certified true copy of SP 2000 KTV and Restaurant **Financial Statement** year ended December 31, 2002 (5 pages)
- “LL-4” Certified true copy of SP 2000 KTV and Restaurant **Financial Statement** year ended December 31, 2001 (5 pages)
- “LL-5 to LL-5-d” Certified true copy of SP 2000 KTV and Restaurant **Financial Statement** year ended December 31, 2000 (5 pages)
- “LL-6” Certified true copy of SP 2000 KTV and Restaurant **SEC Certificate of Incorporation, Articles of Incorporation and Bylaws** consisting of sixteen (16) pages
- “MM” Original **Certification** dated October 19, 2005 issued by BIR RDO No. 28,

- Novaliches, Quezon City; Integrated Tax System (ITS)
- “NN to NN-1” Original letter April 22, 2005 from the SEC (2 pages)
- “NN-2” Original Certification of Corporate Filing/Information re: Multi-Orient Satellite Group, Inc.
- “NN-3” Original Certificate of Corporate Filing/Information record of Samahang Kabuhayan ng mga Kawal, Pulis at mga Kawani ng Oriental Mindoro PC/Inp Command, Inc.; with SEC No. 0000135328
- “NN-4” Original Certificate of Corporate Filing/Information record 2000 Videoke Disco & Restaurant Corp. with SEC No. AS94001206 registered on February 9, 1994
- “NN-5” Original Certificate of Corporate Filing/Information record 2000 Videoke Disco & Restaurant Corp. with SEC No. A199913152 registered on August 23, 1999
- “OO” Original letter dated February 14, 2014 from Philippine Statistics Authority (PSA)
- “OO-1” Table: PSA Consumer Price Index, Purchasing Power of Peso, Number of Families, Family Income and Family Expenditures for Philippines: 1997 to 2004
- “OO-4” Table 12: Total Number of Families, Total Income and Expenditures and Average Per Capita Income and Expenditures by Per Capita Income Class, Urban- Rural: 1997 family Income and Expenditure Survey
- “OO-2-a” Bracketed portion of Table 12, NATIONAL CAPITAL REGION – Urban (Survey Results)
- “OO-3” Table 12: 2000 Family Income and Expenditures Survey
- “OO-3-a” Bracketed portion of Table 12, national Capital Region – Urban (Survey results)
- “OO-4” TABLE 2 – Total and Average Annual Family Income and Expenditure by Income Class by Region: 2003 Family Income and Expenditure Survey
- “OO-4-a” Bracketed portion – National Capital region Survey Result
- “PP” Original Certification dated July 10, 2013 from Bureau of Immigration, re: travel record/s of respondent Mangila from January 1993 to December 31, 2005, with attached list (2 pages)
- “PP-1” Original Certification dated July 9, 2013, with attached list
- “PP-2” Original Certification dated July 10, 2013, Bureau of Immigration
- “PP-3” Original Certification dated July 10, 2013, from Bureau of Immigration, with attached
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- list consisting of three (3) pages
- “PP-4” Original **Certification** dated July 10, 2013, from Bureau of Immigration with attached list
- “QQ” Copy of **Table 1: Exchange Rate**, 1993-2003 (In pesos per US dollar)
- “QQ-1” Original **Certification** of Daily Exchange rates (Philippine Peso per US Dollar) for the period 1997 to 2004
- “QQ-2” Original printout of **1997 Exchange Rates: Philippine Peso per US Dollar**
- “QQ-3” Original printout of **1998 Exchange Rates: Philippine Peso per US Dollar**
- “QQ-4” Original printout of **1999 Exchange Rates: Philippine Peso per US Dollar**
- “QQ-5” Original printout of **2000 Exchange Rates: Philippine Peso per US Dollar**
- “QQ-6” Original printout of **2001 Exchange Rates: Philippine Peso per US Dollar**
- “QQ-7” Original printout of **2002 Exchange Rates: Philippine Peso per US Dollar**
- “QQ-8” Original printout of **2003 Exchange Rates: Philippine Peso per US Dollar**
- “QQ-9” Original printout of **2004 Exchange Rates: Philippine Peso per US Dollar**

In a Resolution dated October 27, 2016¹¹⁷, this Court resolved to **ADMIT ALL** the documentary exhibits offered by Petitioner.

CLAIM OF THE RESPONDENT

For his defense, respondent Mangila was presented to the witness stand.

DANILO PAYUMO MANGILA, 67 years old, married, a retired government official, residing at No. 55 Ipil Street, Sitio Seville Subdivision, North Fairview, Quezon City

His testimony was reduced in the form of a Judicial Affidavit dated February 8, 2017¹¹⁸.

He testified that the present case is intertwined with six (6) other cases of Perjury, [which] in the latter cases, the Sandiganbayan Fourth Division decided to acquit him in a Decision dated March 27, 2017.¹¹⁹

That in his Statement of Assets Liabilities and Net Worth (SALN) for the years 1999 to 2003, he declared that he is married to one Adora B.

¹¹⁷ Record, VOL. 3, pp. 353-354

¹¹⁸ Record, Vol. 3, pp. 400 - 409

¹¹⁹ *Id.*, p. 401

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Mangila, who used to work as a PET Insurance consultant and engaged in buy and sell business of lots, [who] now resides in the United States.¹²⁰

He continued to testify that they have three (3) children namely Edwin, Sherwin and Jason, all surnamed Mangila. Edwin and Sherwin both work in the United States, the former as a Chiropractor Assistant while the latter is a Bookkeeper in a company.¹²¹

By referring to his SALN from 1999 to 2003, he explained that he has three (3) real properties in Quezon City. The first one is located at Lagro, Fairview covered by Transfer Certificate of Title (TCT) No. 202996 with an assessed value of Sixty Five Thousand Pesos (P65,000.00). It is their ancestral home which was financed through a loan from the Government Service Insurance System in 1978. The second is a real property also in Lagro, Fairview covered by TCT No. 248594, an extension of their ancestral home, which was purchased in 1993 with an assessed value of Eight Hundred Fifty Thousand Pesos (P 850,000.00) acquired through contribution from family members. The last property is a real property covered by TCT No. 275686 purchased in the year 1998 with an assessed value of One Million Eight Hundred Thousand Pesos (P 1,800,000.00), purchased through the contribution of the income of the family members.¹²²

He likewise explained that the real property in Trece Martirez City, Cavite covered by TCT No. 47374 was purchased in the amount of Six Hundred Thousand Pesos in 1995 through the contribution from each members of the family, payable in six (6) equal monthly installments.¹²³

He continued to testify that with respect to a real property in Calamba, Laguna covered by TCT No. 47374, it was purchased in installments in 1994 in the amount of Nine Hundred Eighty Three Thousand Pesos (P 983,000.00) also from the contribution of the family members.¹²⁴

Lastly, he explained that in 1992, he himself purchased in cash the property in Calapan, Mindoro Oriental covered by TCT No. 86118 in the amount of Fifty Thousand Pesos (P 50,000.00).¹²⁵

He also admitted that he served the Land Transportation Office (LTO) in different capacities.

As the Head Executive Assistant from 1995 to 1998, his salary in 1998 [net of tax and allowable deductions] was One Hundred Sixty Thousand Eight Hundred Pesos (P160,800.00) as evidenced by his Annual

¹²⁰ Record, *Id.* p. 403

¹²¹ *Id.*

¹²² Record, *Id.* p. 404

¹²³ *Id.*

¹²⁴ *Id.*

¹²⁵ *Id.*

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Income Tax Return. In the year 2000, his annual salary [net of tax and allowable deduction] is One Hundred Ninety Nine Thousand Ten Pesos (P199,010.00) and in 2001, his annual salary net of [tax and allowable deductions] is One Hundred Forty Thousand Eight Hundred Sixty Eight Pesos and Eleven Centavos (P140,868.11)¹²⁶

From 1999 to 2001, he served as its Director. His salary (net of tax and allowable deductions) in the year 2000 is One Hundred Ninety Nine Thousand Ten Pesos (P 199,010.00) and in the year 2001, his salary is pegged at One Hundred Forty Thousand Eight Hundred Sixty Eight Pesos and Eleven Centavos (P 140, 868.11).¹²⁷

For the years 2001 to 2006, he served the government as a Chief Superintendent and narrated that his salary, net of tax and allowable deductions in 2002 is One Hundred Sixty Thousand Twenty Four Pesos (P 160,024.00), in 2003 is Two Hundred Thousand Six Hundred Forty Eight Pesos (P 200,648.00), in 2004 is One Hundred Ninety Nine Thousand Eight Hundred Ninety Eight Pesos (P 199,898.00) and in 2005, it is Nine Hundred Ninety Nine Thousand One Hundred Forty Eight Pesos (P 199,148.00), all are evidenced by his Annual Income Tax Return for the years 2002 to 2005.¹²⁸

He was also appointed as Assistant Secretary of the Presidential Anti-Smuggling Group (PASG) and served as such until 2010 where his annual salary for 2008 and 2009, net of tax and allowable deductions amount to Two Hundred Ninety Three Thousand Three Hundred Ninety Two Pesos (P 293,392.00).¹²⁹ He admitted that during those times while he was serving in the government, he received financial assistance from his wife Adora, who is a PET Consultant and his children Edwin and Sherwin, all residing in the United States since 1993.¹³⁰

With respect to some motor vehicles registered under his name listed by petitioner particularly on the eight (8) Toyota Corolla vehicles, he explained that in 1994 he engaged in transportation business and established Nine-o-Nine Taxi Services and as a consequence, he transferred the registration of the said vehicles to his name as required by law. Unfortunately, this business is not operational anymore but the vehicles remained to be under his name despite selling it to registered buyers.¹³¹

Anent the four (4) motorcycles likewise registered under his name, he admitted that these are registered under his name and part of his buy and sell business and he had no idea why they are still registered under his name

¹²⁶ Record, *Id* at p. 402

¹²⁷ *Id*

¹²⁸ Record, *Id*, p.405

¹²⁹ Record, *Id* p. 406

¹³⁰ Record, *Id*, p. 407

¹³¹ *Id*

although he had long disposed them.¹³²

Lastly, he gave details with respect to some listed vehicles and motorcycle categorized as high end and explained that he managed to purchase them with the help of his business partners Mr. Nilo Pascoguin and David Tan wherein David Tan extended to him a personal loan in the amount of Two Million Five Hundred Thousand Pesos (₱ 2,500,000.00) in the form of a credit line covering the period from 1999 to 2003 while Mr. Nilo Pascoguin extended to him a personal loan also in the form of a personal credit line in the amount of Five Million Pesos (₱ 5,000,000.00) covering the period 1999 to 2003. They had an agreement to split the income on a 50-50 basis.¹³³

ON CROSS EXAMINATION,

He insisted that he declared all the eight (8) Toyota Corolla vehicles in his SALN. He also in his direct examination admitted and confirmed what he said in his direct examination that while his Transportation Service business is no longer operational and that all the vehicles were sold to interested buyers, he has no [even a] single copy of the Deeds of Absolute Sale covering all eight motor vehicles because the sale was made a long time ago sometime in 1998.¹³⁴

With respect to the high end motorcycles, he admitted that they are indeed registered under his name but he disposed these motorcycles as evidenced by Deeds of Absolute Sale but he is not sure if he can still obtain copies of said Deeds because the buyer might have sold them again to another person. He admitted that parties in any sale must have copies of the Deeds.¹³⁵

He likewise confessed that he disclosed in his SALN his buy and sell business but he did not disclose the name of his business partners. That the only proof that his business partners Pascoguin and Tan extended to him personal loans is an Affidavit executed by the latter. There is a loan agreement to prove the loan and is attached in his Judicial Affidavit¹³⁶ and in connection with the loan, he signed a Promissory Note.¹³⁷ Lastly, he testified that it is only Mr. Tan who is his business partner at present because Mr. Pascoguin is already dead.¹³⁸

¹³² Record, *Id* p. 408

¹³³ *Id*

¹³⁴ TSN dated February 14, 2018, pp. 15-16

¹³⁵ TSN dated February 14, 2018, p. 16

¹³⁶ TSN dated February 14, 2018, p. 18

¹³⁷ TSN dated February 14, 2018, p. 20

¹³⁸ *Id*

ON RE-DIRECT EXAMINATION,

He explained that it was Mr. Tan and Mr. Pascoguin who executed the loan agreement. That, the loan agreement referred in his Judicial Affidavit are the Affidavits of Mr. Tan and Mr. Pascoguin.¹³⁹

IN ANSWER TO THE CLARIFICATORY QUESTIONS OF THE COURT,

He admitted that he did not ask the Land [Transportation] Office, for the copies of the deeds of conveyances with respect to the motor vehicles declared under his name.

The last witness presented was:

MR. DAVID TAN, Filipino, married, 67 years old, a businessman with office address at 107 Mother Ignacia Street, Quezon City.

His testimony was reduced in the form of a Judicial Affidavit¹⁴⁰ dated February 12, 2018.

He testified that respondent Mangila is his long time friend and a business partner in a buy and sell business.¹⁴¹ That from the years 1999 to 2003, before they became business partners, he extended a personal loan to respondent Mangila in a form of a credit line which does not exceed at one time, the amount of Two Million Five Hundred Thousand Pesos (P 2,500,000.00) to engage in an isolated buying and selling of used cars with the help of his family members.¹⁴² The loan is evidenced by his Affidavit.¹⁴³

He also testified that later on he learned that respondent Mangila used part of the money to pay for some of the properties which he bought in installments.¹⁴⁴

ON CROSS EXAMINATION,

He confessed that he only executed his Affidavit on November 21, 2011 to show that he extended a personal loan to respondent Mangila or only during the time that he became aware that a case was filed against respondent Mangila and that the latter requested him to execute the same.¹⁴⁵

¹³⁹ TSN dated February 14, 2018, p. 22

¹⁴⁰ Record, Vol. 3, pp. 451 to 454

¹⁴¹ Record, Vol. 3, Judicial Affidavit, p. 451

¹⁴² *Id*, p. 452

¹⁴³ *Id*

¹⁴⁴ *Id*

¹⁴⁵ TSN dated February 14, 2018, pp.29-30

IN ANSWER TO THE CLARIFICATORY QUESTIONS OF THE COURT,

While he admitted that as a business man, he keeps all the record of his transactions, he failed to keep the record of the loan that he extended to respondent Mangila or even the promissory note because [he explained] that he extended the loan verbally.¹⁴⁶ He also said that the loan was fully paid between the years 2004 and 2005.¹⁴⁷

He also explained that the loan he extended to respondent Mangila in the amount of ₱ 2.5 Million Pesos was not a one-time loan but granted in a continuous basis but remained [the transactions] unrecorded¹⁴⁸ because they are "*compadres*."¹⁴⁹

He also informed the Court that, he was the financier in the buy and sell business he entered with respondent Mangila such that he does not deal directly with clients.¹⁵⁰ And with the business venture they had, he earned income like "Two Hundred" for every car.¹⁵¹

DOCUMENTARY EXHIBITS

EXHIBITS	DESCRIPTION
"1"	Decision promulgated on March 27, 2017 by the Fourth Division of the Sandiganbayan
"2"	Resolution dated November 16, 2017
"3"	Annual Tax Return for 1998
"4"	Affidavit dated November 21, 2011 of Mr. David Tan
"5"	Affidavit dated November 21, 2011 of Mr. Nilo Pascoguin
"6"	Annual Tax Return for 2011
"7"	Annual Tax Return for 2002
"8"	Annual Tax Return for 2003
"9"	Annual Tax Return for 2004
"10"	Annual Tax Return for 2004
"11"	Annual Tax Return for 2005
"12"	Annual Tax Return for 2008
"13"	Annual Tax Return for 2009

In a Resolution dated March 20, 2018¹⁵², this Court **ADMITTED Exhibits "1", "2", "3", "4", "6", "7", "8", "9", "10", "11", "12" and "13"**, over the objection of the prosecution on the purpose for which

¹⁴⁶ TSN dated February 14, 2018, p. 31

¹⁴⁷ TSN dated February 14, 2018, p. 32

¹⁴⁸ TSN dated February 14, 2018, p. 33

¹⁴⁹ TSN dated February 14, 2018, p. 35

¹⁵⁰ TSN dated February 14, 2018, p. 34

¹⁵¹ TSN dated February 14, 2018, p. 36

¹⁵² Record, Vol. 3, pp. 518 to 519

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the exhibits were offered and **EXCLUDED Exhibit "5"** for being hearsay. The Court added that purpose of the offer and the objection in each exhibit shall be evaluated in the ultimate disposition of the case.

In its Manifestation dated March 23, 2018,¹⁵³ petitioner manifested that it will no longer present rebuttal evidence, prompting this Court to direct both parties to file their respective Memoranda within thirty (30) days from notice.¹⁵⁴ However, only petitioner filed its Memoranda dated May 31, 2018¹⁵⁵, which was received by this Court on June 5, 2018.

Thereafter, the case was submitted for decision.

Hence, this Decision.

ISSUE TO BE RESOLVED

The issue raised in the present Petition is: *Whether or not respondent Mangila acquired during his incumbency as a public officer, an amount of properties manifestly out of proportion to his legitimate income as a public officer and to his other lawful income.*

FINDINGS AND RULING OF THE COURT

In the case of *Jose U. Ong and Nelly M. Ong vs. Sandiganbayan and Office of the Ombudsman*¹⁵⁶, the Supreme Court citing *Republic vs. Sandiganbayan*¹⁵⁷ explained that a civil forfeiture case under Republic Act No. 1379¹⁵⁸ is in the nature of a civil case and not penal or criminal in character, as it does not terminate in the imposition of a penalty but merely in the forfeiture of the properties illegally acquired in favor of the State.

In the consolidated cases of *Ferdinand R. Marcos, Jr. vs. Republic of the Philippines, represented by the Presidential Commission on Good Government* and in *Imelda Romualdez-Marcos vs. Republic of the Philippines*¹⁵⁹, it was further clarified that:

“Proceedings for forfeitures are generally considered to be civil and in the nature of proceedings in rem. The statute providing that no judgment or other proceedings in civil cases shall be arrested or reversed for any defect or want of form is applicable to them. In some aspects, however, suits

¹⁵³ Record, Vol. 4, pp. 23 to 24

¹⁵⁴ Resolution dated march 26, 2018, Record, Vol. 4, p. 25

¹⁵⁵ Record, Vol. 4, pp. 38 to 67

¹⁵⁶ GR No. 126858, September 16, 2005

¹⁵⁷ G.R. No. 152154, November 18, 2003

¹⁵⁸ An Act Declaring Forfeiture In Favor Of The State Any Property Found To Have Been Unlawfully Acquired By Any Public Officer Or Employee And Providing For The Proceedings Therefor.

¹⁵⁹ GR Nos. 189434 and 189505, April 25, 2012

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for penalties and forfeitures are of quasi-criminal nature and within the reason of criminal proceedings for all the purposes of x x x that portion of the Fifth Amendment which declares that no person shall be compelled in any criminal case to be a witness against himself. The proceeding is one against the owner, as well as against the goods; for it is his breach of the laws which has to be proved to establish the forfeiture and his property is sought to be forfeited.”

Corollarily, *Section 2 of Republic Act No. 1379* in relation to *Section 8 of Republic Act No. 3019* states that whenever any public officer or employee has acquired during his incumbency an amount of property which is manifestly out of proportion to his salary as such officer or employee and to his other lawful income and the income from legitimately acquired property, **said property shall be presumed *prima facie* to have been unlawfully acquired.**¹⁶⁰ (emphasis supplied)

From the above stated provision of law and jurisprudential rules, it could be assumed, therefore, that in [a] civil forfeiture proceedings, the burden of evidence then shifts to the respondent, to show that the financial resources used to acquire the undeclared assets and [his] expenditures came from lawful income.¹⁶¹

It is from this premise that this Court will test whether or not respondent Mangila was able to show proof that all properties declared under his name came from his lawful income and from legitimate sources. Thus, it is proper that the elements of a civil forfeiture case under RA 1379 be proven consisting of the following:

- (1) the offender is a public officer or employee;
- (2) he must have acquired a considerable amount of money or property during his incumbency; and
- (3) said amount is manifestly out of proportion to his salary as such public officer or employee and to his other lawful income and income from legitimately acquired property.¹⁶²

ANENT THE FIRST ELEMENT – THE OFFENDER IS A PUBLIC OFFICER OR EMPLOYEE

There is no doubt that this element is present and was duly proven considering that both parties, *i.e.*, the Petitioner and counsel for respondent Mangila, **stipulated** during the Pre-Trial that respondent Mangila was a

¹⁶⁰ Flor Gulipan –Aguilar and Honore R. Hernandez vs. Office of the Ombudsman, represented by Hon. Simeon R. Marcelo and PNP-CIDG, rep by Director Eduardo Matillano, GR No. 197307, February 26, 2014

¹⁶¹ *Id*

¹⁶² *Id*

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public officer during the years 1991 to 2004, the period material to this case.¹⁶³

ANENT THE SECOND AND THIRD ELEMENTS- HE MUST HAVE ACQUIRED A CONSIDERABLE AMOUNT OF MONEY OR PROPERTY DURING HIS INCUMBENCY, and

SAID AMOUNT IS MANIFESTLY OUT OF PROPORTION TO HIS SALARY AS SUCH PUBLIC OFFICER OR EMPLOYEE AND TO HIS OTHER LAWFUL INCOME AND INCOME FROM LEGITIMATELY ACQUIRED PROPERTY

For purposes of clarity, the Second and Third Elements will be discussed simultaneously.

To reiterate, the burden of evidence is upon respondent Mangila to show proof that the financial resources he used to acquire the undeclared assets and his expenditures came from lawful sources. To be particular, it is for respondent Mangila to prove that during the years material to this case, *i.e.* from 1991 to 2004 (as stated in the Second Amended Pre-Trial Order), the properties he acquired were all sourced from his legitimate income and that the expenses he incurred also came from supposed legitimate sources.

To this end, it is therefore prudent for this Court to make tabular listings of respondent Mangila's sources of income, the properties registered under his name, both real and personal and his travel expenses.

Respondent Mangila attempted to convince this Court that the funds he used to acquire the questioned properties came from his **lawful income** as a public official. True or not, it is best to enumerate his supposed income from salaries he earned from 1991 to 2004.

Table No. 1- Income from his Salary (as presented by petitioner and supported by documents presented during the trial)

Year	Basic Salary (in Philippine Pesos)	Estimated Allowances (in Philippine Pesos)	Total (in Philippine Pesos)
1991	66,000.00	33,000.00	99,000.00
1992	66,000.00	33,000.00	99,000.00
1993	66,000.00	33,000.00	99,000.00
1994	74,000.00	37,000.00	111,000.00
1995	86,400.00	43,200.00	129,600.00
1996	108,720.00	54,360.00	163,080.00
1997	140,000.00	70,000.00	210,000.00
1998	160,800.00	80,400.00	241,200.00
1999	168,800.00	84,400.00	253,200.00

¹⁶³ Second Amended Pre-Trial Order, Record, Vol. 2, pp. 668 to 671

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2000	168,800.00	84,400.00	253,200.00
2001	191,100.00	95,550.00	286,650.00
2002	222,354.00	111,177.00	333,531.00
2003	243,348.00	121,674.00	365,022.00
2004	243,348.00	121,674.00	365,022.0
TOTAL	2,005,670.00	1,002,835.00	3,008,505.00

Respondent Mangila in his attempt to convince this Court that apart from his income, he has other financial sources from where he got the properties which the Petitioner prays to be forfeited. He said he has **declared business interests** as declared in SALN for the years 1999 to 2003.

Table No. 2 Alleged Business Interests

Name of Firm/ Company	Address	Date of Incorporation	Amount of Investment (in Philippine Pesos)
Nine-O-Nine Transport Services	Lagro, Quezon City	1994	350,000.00
SP 2000 Restaurant Videoke	National Hi-Way, Brgy Nueva, San Pablo, Laguna	1994	75,000.00
Car Merchant Buy and Sell	Quezon City	1988	Not Found
Real Estate Business		1999	Not Found
TOTAL			425,000.00

Also, he impressed to this Court that he and his son, Edwin B. Mangila are affiliated with the following business entities:

Table No. 3 Corporations which he and his son allegedly have interest.

Registered Owners	Name of Corporation/ SEC Registration	Investment/ Amount Subscribed (in Philippine Pesos)	Date of Incorporation
Edwin B. Mangila	Multi-Orient Satellite Group Inc/ A200010902	40,000.00	2001
Danilo P. Mangila	SP 2000 Videoke Disco & Restaurant Corporation/ AS94001206	75,000.00	1999
Total		₱115,000.00	

More, respondent Mangila in order to negate the claim against him showed that the financial resources used to acquire the undeclared assets and defray his travel expenses came from lawful income, testified before this Court that his family members, *i.e.* his wife and his children, contributed money to purchase the real properties declared under his name.

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Table No. 4 List of real properties he acquired allegedly with the financial contribution / assistance from his family

	Location	Acquisition Cost (in Philippine Pesos)	Improvement (Cost in Philippine Pesos)	TCT No.	Year Acquired
	Quezon City	1,500,000.00 (estimated Price)	2,106,000.00 (2000); 263,600.00 (1997)	202996	1999
	Quezon City	1,800,000.00		275668	2003
	Quezon City	1,890,000.00		275686	2004
	Calamba, Laguna	849,555.00		355409	1996
	Trece Martirez, Cavite	567,000.00		47374	1998
	Calapan, Mindoro	126,500.00		86118	1996
	Sub Total (estimated)	6,733,055.00	2,369,600.00		
	TOTAL		9,102,655.00		

With respect to motor vehicles registered under his name, he tried to persuade this Court that they belong to his transportation business, Nine-O-Nine Transport Services and he had long sold them to someone when the business ceased to operate. Further, he testified that his business partners Mr. Tan and Mr. Pascoguin helped him purchased these vehicles. The following are the motor vehicles listed under his name:

Table No. 5 Motor vehicles

Year Acquired	Model	Plate Number	Color	Amount (in Philippine Pesos)
1995	1995 Toyota Tamaraw 2.0 5s	DPM 909	048 White	373,500.00
1996	1996 Toyota Corolla XL	ULG 797	040 Super White	400,000.00
1996	1996 Toyota Corolla XL	UMJ 181	040 Super White	400,000.00
1996	1996 Toyota Corolla XL	UMJ 203	040 Super White	400,000.00
1996	1996 Toyota Corolla XL	ULR 902	040 Super White	400,000.00
1998	1998 Kymco Apex Dink	TD 1998	Red	97,873.00
1998	Mitsukoshi/Jincheng	PS 131	Black	42,000.00
1999	Toyota Corolla XL	TVL 703	040 Freedom White	452,000.00
1999	1999 Hyundai Starex Van	XSS 888	Not Indicated	600,000.00

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2000	2000 Toyota Corolla XL	TVV 700	040 Freedom White	469,000.00
2000	1988 Chevrolet Sports Van	WLW 999	Not Indicated	100,000.00
2000	2000 Toyota Corolla XL	TVU 705	040 Freedom White	469,000.00
2001	2001 Toyota RAV4 AT 2.0	RAV 480	056 Frost White	1,350,000.00
2002	Toyota Hi-Ace	XBW 909	2BZ Aqua Silver	882,000.00
2003	2003 Honda Motorcycle	UR 5558	Not Indicated	40,000.00 (estimated price)
2004	2003 Harley Davidson Motorcycle	UR 5555	Not Indicated	900,000.00 (estimated price)
Total (estimated)				7,375,373.00

Also, respondent Mangila added that on top of his salaries, allowances and income from his businesses strongly insisted that his "*compadre*" Mr. Tan extended personal loans to him payable in the most favorable terms, thereby capacitating him to buy some of the properties.

To these all, what the Court can say is despite the assertions of respondent Mangila, that he legitimately acquired the aforementioned properties using his own salary, contribution from his family members and "*compadre*", this Court does not believe him. Clearly, his assertions to this effect were not fully substantiated making the Court to wonder where did he get the money to acquire all these properties.

Couched differently, his income even when added together, to the Court's mind is not sufficient for him to acquire these properties nor to finance his numerous foreign travels to include that of his wife, which undeniably entail lots of expenses.

To be specific, Exhibit "PP" shows that respondent Mangila travelled abroad eighteen (18) times from 1994 to 2005, while his wife travelled abroad sixteen (16) times from 1993 to 2005 (Exhibit "PP-3") to Tokyo, Osaka, Hong Kong, Singapore, France, Honolulu, Seoul, Australia, Los Angeles, and Nagoya.

Safely, it could be said therefore, that weighing side by side the testimonial and documentary evidence presented by the petitioner and respondent Mangila, the assets acquired by the latter are not commensurate to what he has earned and/or received from his salaries, allowances and business interests. More so, that there was not even a clear showing to how much he really earned from his business interests or other income, if there be any.

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Simply put, the pieces of evidence he presented are not sufficient to justify a finding that the properties, personal or real, registered under his name, declared or undeclared in his SALNs were sourced from his income hence, should NOT be forfeited in favor of herein petitioner- the government.

Allow this Court to discuss its findings.

FIRST. Respondent Mangila admits owning three (3) parcels of land in Quezon City covered by TCT Nos. 202996, 275668 and 275686, respectively. A property in Calamba, Laguna described under TCT No. 355409, a parcel of land described under TCT No. 47374 and lastly, a parcel of land covered by TCT No. 86118. All these properties are worth NINE MILLION ONE HUNDRED TWO THOUSAND SIX HUNDRED FIFTY FIVE PESOS (₱ 9,102,655.00)

Petitioner herein pointed out that the years when these properties were acquired as reflected in his SALN's are inconsistent with those which appear on the respective titles and Deeds of Sale.

To be precise, with respect to a real property located at Lot 15, block 32, Lagro Subdivision, Novaliches, Quezon City covered by TCT No. 202996, there is no document showing that respondent Mangila acquired it in 1998 as he claimed to be. Verily, record shows that as early as 1990, he introduced improvements therein in the total amount of Two Million One Hundred Six Thousand Pesos (₱ 2,106,000.00) when it was only in 1997 that he declared the said property for tax purposes.

With respect to the property situated at Lot 29, Block 3, Barangay Lalud, Calapan, Mindoro under TCT No. 86118, he stated that he acquired the same in 1992 but record reveals that he acquired it on July 29, 1996 from Pamahay Development Corporation.

The Laguna property, as declared in his SALN was acquired in 1994 but what can be gleaned from the record of the case, he acquired it from RFM Corporation in 1995.¹⁶⁴ The Cavite property, on the other hand, he claimed that he acquired it in 1995 when in fact, he acquired it in 1998.¹⁶⁵

Evidently, a serious disparity exists between the documents presented [including his SALN] and the statements respondent Mangila himself made regarding when he acquired them, making this Court in quandary when did he actually acquire these properties and why was he not honest in declaring them in his SALN if they were actually acquired from lawful sources. Inadvertence or not, the truth is, respondent Mangila's dishonesty could not

¹⁶⁴ Record, Vol. 1, p. 121 to 123

¹⁶⁵ Record, Vol. 1, p. 125

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be doubted. Notably, the SALN requirement will be a useless ritual if public officers can easily evade the obligation to disclose properly and correctly the properties described therein.

More, while he claimed that his spouse, a PET Insurance Consultant, as well as his sons pooled their resources together for the purchase of some of the questioned properties, surprisingly, respondent Mangila did not present any single document showing his wife's income nor that of his sons so as to prove that they are financially capable to buy or contribute money for the purchase of these properties, if such was the fact.

In fact, a Certification issued by the Bureau of Internal Revenue dated November 18, 2014¹⁶⁶, even showed that from 1995 to 2004, his wife and sons Sherwyn, Edwin and Junson did not file their respective Income Tax Returns nor paid taxes. The Certification states "NDF" or "NO DATA FOUND", indicating that respondent Mangila's family members have no income to declare or even if they have, simply, they did not declare such income for reasons only known to them. Or in the event by that time, they were already in the United States, at least proof of income in the United States could have been presented. Given this scenario, how can respondent Mangila then claim that his wife and his sons have money which they contributed to the purchase of these questioned properties.

Absent of any strong evidence to show that his family members contributed to the purchase of these properties as mentioned, respondent Mangila's allegations remain to be allegations and deserve scant consideration. In short, there was no convincing evidence to establish this claim.

SECOND. There is no quibbling as to the ownership of the said motor vehicles but a doubt exists where did he get the money which he used to purchase them.

Evidence shows that the described motor vehicles are registered under respondent Mangila's name. While at one point he stated that some of these vehicles were already sold to other persons, he was not able to substantiate the alleged sale by presenting documents that indeed these motor vehicles were sold already. With only his self serving testimony that he sold some of them, this Court is not expected to believe him. It could have been different if respondent Mangila presented documents from the LTO showing that the motor vehicles were already conveyed to other persons and therefore, should not be in his name anymore. Sans proof, what can be surmised is, there was no sale of vehicles that took place.

In another perspective, record shows that respondent Mangila owns a

¹⁶⁶ Record, Vol. 3, p. 218

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2004 Harley Davidson Motorcycle¹⁶⁷ with an estimated price of Nine Hundred Thousand Pesos (₱ 900,000.00). His Service Record as of May 17, 2013¹⁶⁸ shows that from the period November 2, 2002 to June 19, 2006, he served as Police Chief Superintendent (PC/Supt) with a monthly salary of Twenty Thousand Two Hundred Seventy Nine Pesos (₱ 20,279.00) only. With all due respect, for one earning a monthly salary of Twenty Thousand Two Hundred Seventy Nine Pesos (₱ 20,279.00) like respondent Mangila and a family man at that, it is highly unbelievable, if not impossible for him to be able to acquire a Nine Hundred Thousand Pesos (₱ 900,000.00) worth of motorcycle, even granting that payment was made in installment which is not even the case here. Again, sans sufficient proof or reasonable explanation on where did he get money to buy this expensive motorcycle, no way will the Court believe that he bought it from lawful source.

Nonetheless, a careful scrutiny of his 2004 SALN¹⁶⁹ shows that he did not declare said Harley Davidson Motorcycle. The only motorcycle that he declared was a motorcycle which he acquired in 1997 with an acquisition cost of Fifty Thousand Pesos (₱ 50,000).

The non-declaration of the Harley Davidson motorcycle in his 2004 SALN is therefore indicative of his bad faith tending to suggest that the funds which he used to purchase it did not come from a lawful source.

THIRD. This Court does not also consider respondent Mangila's claim that part of the money he used to buy his alleged properties came from a loan extended to him by Mr. Tan in the amount of Two Million Five Hundred Thousand Pesos (₱2,500,000.00), which originally to be used in his business of buying and selling of used cars.

Going over the testimony of Mr. Tan, the latter never said that he learned that respondent Mangila used part of the loan in his buy and sell business, he never said that, he consented and has prior knowledge or knew that part of the money was used by respondent Mangila to finance his buy and sell business. Moreover, what could be gauged from Mr. Tan's testimony is, that Affidavit was executed at the request of respondent Mangila and after the case was filed, thereby giving an impression that the Affidavit is an afterthought. Perhaps in an effort to justify respondent Mangila's unexplained assets. Otherwise, a loan instrument could have been presented.

This is clear from his testimony found in TSN dated February 14, 2018, pages 29 to 30, thereof are quoted below:

“TSN dated February 14, 2018, pages 29 to 30:

¹⁶⁷ Record, Vol. 3, p. 198

¹⁶⁸ Exhibit “A”, Record, Vol. 3, p. 96

¹⁶⁹ Record, Vol. 3, pp. 117 to 118

Q: In Question No. 6, as you were asked, what was your proof if any, to show that Mr. Mangila borrowed money from you and you answered, you have executed an (sic) affidavit, is that correct?

A: yes, ma'am.

Q: Your only proof is your (sic) affidavit?

A: Yes, ma'am.

Q: **And will you agree with me that the Sworn Statement or Affidavit was executed on November 21, 2011?**

A: **Yes, ma'am.**

Q: **During the time that you executed this Affidavit, are you aware that a case was filed against Mr. Mangila?**

A: **Yes, ma'am.**

Q: **And who requested you to execute this affidavit?**

A: **Mr. Mangila requested from me, ma'am.**

Q: **Yes, Mr. Mangila requested you to execute this affidavit?**

A: **Yes, ma'am.**

X x x"

Be that as it may, we repeat, Mr. Tan did not corroborate nor support respondent Mangila's claim that he acquired some of his properties using Mr. Tan's money which the latter extended through a loan.

FOURTH. It is interesting to note that despite the allegations of the Petitioner questioning his travels and that of his family, respondent Mangila never attempted to dispute the said allegation. Clearly, no testimony was offered nor documentary evidence was presented to the effect that his family members could afford all their trips abroad given their individual or combined income. Respondent Mangila for his part did not also explain that the trips were official travels therefore, entailing no expenses from his pocket.

Sans evidence to explain where he got the money to finance these travels, it is not much to presume that respondent Mangila himself paid for all these travels, more so, that no evidence was shown that his wife or his other family members are financially capable to spend on their own.

That while in the case of *Leovigildo A. De Castro vs. Field Investigation Office, Office of the Ombudsman and the Commissioner of Customs*¹⁷⁰, the Supreme Court ruled that before a foreign trip taken by a

¹⁷⁰ GR No. 192723, June 5, 2017

public officer can be considered as proof of unexplained wealth, it shall be first necessary to establish that the cost thereof is, in fact, manifestly disproportionate to the latter's lawful income. We take exception in this case because obviously, no evidence was adduced to prove that these foreign travels were affordable, hence, the amount spent should not be doubted.

Given the salary of respondent Mangila and absence of showing that his wife is financially capable to spend for her own travel, not to mention the fact that no evidence was shown that there are other legitimate sources of income for the spouses, it is not for much for the Court to doubt their sources to finance these foreign travels. Not necessarily sounding repetitious, records from the Bureau of Immigration¹⁷¹ show that from 1995 to 2004, respondent and his family members travelled at least thirty (30) times to various countries namely Tokyo, Osaka, Hong Kong, Singapore, France, Honolulu, Seoul, Australia, Los Angeles, and Nagoya on board "non-budget airlines" such as Cathay Pacific, Philippine Airlines, Singapore Airlines and Japan Airlines, to name a few.

The failure of respondent Mangila to adduce evidence explaining where did he get the money to finance these multiple foreign travels, the Court considers such failure as an admission under **Section 32, Rule 130 of the Revised Rules on Evidence**.

Section 32, Rule 130 of the Revised Rules on Evidence reads:

"Section 23. Admission by silence. — Any act or declaration made in the presence and within the observation of a party who does or says nothing when the act or declaration is such as naturally to call for action or comment if not true, may be given in evidence against him."

To be admissible as an admission by silence the following requisites must concur¹⁷²:

- (a) He must have heard or observed the act or declaration of the other person;
- (b) He must have had the opportunity to deny it
- (c) He must have understood the statement;
- (d) He must have an interest to object as he would naturally have done if the statement was not true;
- (e) The facts are within his knowledge; and
- (f) The fact admitted or the inference to be drawn from his silence is material to the issue

¹⁷¹ Exhibits "PP", "PP-1" to "PP-4"

¹⁷² People of the Philippines vs. Bonifacio Ciobal y Pabrua, et al, GR No. 86220, April 20, 1990

In sum, respondent Mangila exerted no effort to clarify the entries stated in the BID Certification. Such posture can be considered as an admission in silence. A person's silence, therefore, particularly when it is persistent, will justify an inference that he is not innocent.¹⁷³

FIFTH. While it may be true that respondent Mangila has business interests in Nine-O-Nine Transport Services, SP 2000 Restaurant Videoke, Car Merchant Buy and Sell and a certain Real Estate Business, an examination of the Income Statements of these corporations reveal that the income from these businesses cannot support respondent Mangila's claim that his business interests helped him acquire the questioned properties.

Following the rule that "the burden of evidence then shifts to the respondent, to show that the financial resources used to acquire the undeclared assets and [his] expenditures came from lawful income"¹⁷⁴, the Court finds respondent Mangila to have failed in showing that the money used in acquiring his assets and defraying his expenses came from lawful sources.

Allow us to explain further.

As clearly pointed out by Petitioner, respondent Mangila's SALN did not indicate at any given period that he was engaged in any real estate business.

More, the Income Statements of SP 2000 KTV and Restaurant Corporation submitted to the Securities and Exchange Commission for the following periods show that the said Corporation has a **negative net profit and negative retained earnings** since the figures are enclosed in parenthesis "()". It reflects the following:

Year	Net Profit	Retained Earnings
2000 ¹⁷⁵		(P 14,580.75)
2001 ¹⁷⁶		(P 238, 725.72)
2002 ¹⁷⁷		(P 365,634. 75)
2003 ¹⁷⁸	(P 493, 385.43)	(P 1,443,804.60)
2004 ¹⁷⁹	(P 135, 098.84)	(P 1,578,903.44)
TOTAL		(P 3, 641, 649.26)

¹⁷³ People of the Philippines vs. Paulino Magdadaro y Gerona, GR No. 89370-72, May 15, 1992, citing Underhill's Criminal Evidence, 4th ed., p. 401

¹⁷⁴ *supra*, Note 155

¹⁷⁵ Record, Vol. 3, p. 297

¹⁷⁶ Record, Vol. 3, p. 293

¹⁷⁷ Record, Vol. 3, p. 287

¹⁷⁸ Record, Vol. 3, p. 282

¹⁷⁹ *Id*

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The foregoing tabulation shows the Retained Earnings of SP 2000 KTV and Restaurant Corporation. As shown in the table, from the year 2000 to 2004, the SP 2000 KTV and Restaurant Corporation has a negative net retained earnings of Three Million Six Hundred Forty One Thousand Six Hundred Forty Nine Pesos and Twenty Six Centavos (P 3, 641, 649.26).

Since respondent Mangila's corporation does not earn any profit, how can he say therefore, that his business interest in SP 2000 KTV and Restaurant Corporation contributed to his financial capacity to acquire the questioned properties. With respect to respondent Mangila's Nine-O-Nine Transport Services Mangila's Car Merchant Buy and Sell Business, a Certification from the Quezon City Business Permit and License Office¹⁸⁰ indicates that "NO BUSINESS PERMIT has been issued in the names of P/CSUPT DANILO P. MANGILA and/or NINE O NINE TRANS SERVICES AND CAR MERCHANT."

This being so, the Court wonders if this business ever operated. Or in case it operated, sans permit, respondent Mangila should have at least adduced evidence to show its earnings, if there be any, if only to convince this Court that indeed he earned additional income from his businesses.

From the foregoing, the logical conclusion is that respondent Mangila's defense that his income from his business interests contributed to his financial capacity to purchase the questioned properties has no leg to stand on.

SIXTH. Petitioner insisted that respondent Mangila and his son Edwin have undeclared business interest in Multi-Orient Satellite Group, Inc.¹⁸¹ and SP 2000 Videoke Disco and Restaurant Corporation.¹⁸²

An examination of the pertinent documents of each corporation particularly their respective Articles of Incorporation, shows that respondent Mangila is an incorporator of the SP 2000 Videoke Disco and Restaurant which was incorporated in 1994, after having subscribed the amount of Seventy Five Thousand Pesos. While his son Edwin is an incorporator of Multi-Orient Satellite Group Inc.

However, as can be gleaned from respondent Mangila's SALN, he declared his business interest in SP 2000 Videoke Disco and Restaurant only in 1999 to 2004.

While it is true that his son Edwin's name is reflected in the Articles of Incorporation of Multi-Orient Satellite Group Inc., and therefore impressing upon the Court that he is financially capable, unfortunately,

¹⁸⁰ Record, Vol. 3, p. 254

¹⁸¹ Exhibit KK-6

¹⁸² Exhibit LL-6

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apart from a copy of the Articles of Incorporation, no evidence was shown that he derived income from said corporation. In fact, no Income Tax Return was presented showing that Edwin paid taxes for income earned either from business or from compensation received.

Nonetheless, assuming arguendo that respondent Mangila's business interests in the two undeclared businesses are lawful, by doing simple mathematics, the income from such business is still grossly insufficient to contribute to his lawful sources of income.

SEVENTH. In order to determine whether respondent Mangila acquired properties are manifestly out of proportion to his salary as public officer or employee and from his other lawful income and income from legitimately acquired property or business interests, the Supreme Court ruled that *"in ascertaining the value of respondent's properties and shareholdings, it is not the fair market value, as claimed by the petitioner, that should be made as basis thereof. Rather, as correctly held by the Sandiganbayan, it is the acquisition cost thereof, since it was the actual amount of money shelled out by respondent in acquiring them. It is the acquisition cost that must be charged against respondent's lawful income and funds."* (emphasis supplied)

Extant from the records is the fact that respondent Mangila's income from his salary and his estimated allowances from 1991 to 2004 amount only to an estimated amount of THREE MILLION EIGHT THOUSAND FIVE HUNDRED FIVE PESOS ONLY (₱ 3,008,505.00).¹⁸³

However, during those years, *i.e.* 1991 to 2004, the real properties registered under his name, amount to an estimated value of NINE MILLION ONE HUNDRED TWO THOUSAND SIX HUNDRED FIFTY FIVE PESOS (₱9,102,655.00)¹⁸⁴, while the motor vehicles registered under his name and as shown by the records he purchased during those inclusive years, are in the estimated amount of SEVEN MILLION THREE HUNDRED SEVEN FIVE THOUSAND THREE HUNDRED SEVENTY THREE PESOS (₱ 7,375,373.00).¹⁸⁵

Verily and with these facts on hand, what the Court can say is, respondent Mangila's lawful income for the said period being only THREE MILLION EIGHT THOUSAND FIVE HUNDRED FIVE PESOS ONLY (₱ 3,008,505.00), was grossly insufficient to finance the acquisition of his assets in the aggregate cost of FIFTEEN MILLION EIGHT HUNDRED SIX THOUSAND FOUR HUNDRED THREE PESOS AND SIXTY FIVE CENTAVOS (₱15,806,403.65)

¹⁸³ Table No. 1

¹⁸⁴ Table No. 4

¹⁸⁵ Table No. 5

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This is not to mention his undeclared business interest in the amount of ONE HUNDRED FIFTEEN THOUSAND PESOS (P 115,000.00)¹⁸⁶ and the amount of his annual cost of living and foreign travel expenses in an estimated amount of TWO MILLION TWO HUNDRED TWENTY ONE THOUSAND EIGHT HUNDRED EIGHTY PESOS AND SIXTY FIVE CENTAVOS (P 2,221,880.65), as aptly found by the petitioner.

Thus, by way of simple mathematical computation, the following can be deduced:

Table No. 6

Declared and undeclared Real Properties	₱ 9,102,655.00
Motor Vehicles	7,375,373.00
Family Expenditures	2,221,880.65
Undeclared Business Interest	115,000.00
Less: Salary (Income)	3,008,505.00
Total Unexplained Wealth (Disparity in Philippine Pesos)	15,806,403.65

This gross and glaring disparity between his legitimate income and assets acquired would all the more be emphasized had there been evidence of his actual family and personal expenses and tax payments. In the case of *Republic of the Philippines vs. Sandiganbayan (3rd Division) and Jolly R. Bugarin*,¹⁸⁷ the Supreme Court ruled that it is only when the respondent is unable to show that his asset acquisitions were lawfully made that such property shall be forfeited in favor of the State.

In this case, the cost of respondent Mangila's properties acquired from 1991 to 2004 is out of proportion to his lawful income for the said period. For this reason, the Court has no recourse but to apply the law, *i.e.* Republic Act No. 1379, otherwise known as "AN ACT DECLARING FORFEITURE IN FAVOR OF THE STATE ANY PROPERTY FOUND TO HAVE BEEN UNLAWFULLY ACQUIRED BY ANY PUBLIC OFFICER OR EMPLOYEE AND PROVIDING FOR THE PROCEEDINGS THEREFOR" which states:

X X X X

Section 6. Judgment. — If the respondent is unable to show to the satisfaction of the court that he has lawfully acquired the property in question, then the court shall declare such property, forfeited in favor of the State, and by virtue of such judgment the property aforesaid shall become property of the State: Provided, That no judgment shall be rendered within six months before any general election or within three

¹⁸⁶ Table No. 3

¹⁸⁷ GR No. 102508, January 30, 2002

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months before any special election. The Court may, in addition, refer this case to the corresponding Executive Department for administrative or criminal action, or both.

A fortiori, there is no law prohibiting government employees to acquire properties and register the same under their names specially so if it can be proven that those properties are indeed fruits of their legitimate toils. Membership in the government service does not in any way strip government employees of their constitutionally guaranteed right to own properties.

However, ownership of properties by a public servant is subject to a time honored principle that public officials and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence, and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest over personal interest.¹⁸⁸

Unfortunately, respondent Mangila failed to prove that he has lived a life proportionate to his means.

WHEREFORE, premises considered, for failure of respondent **DANILO P. MANGILA** to show that he acquired during his incumbency as a government employee an amount of property which is proportionate to his salary from his other lawful income, the properties he acquired from 1991 to 2004 are ordered forfeited in favor of petitioner Republic of the Philippines.

To be specific, the following properties and business interests of respondent **DANILO P. MANGILA** are hereby ordered forfeited:

1. Parcels of land covered by Transfer Certificate of Title Number 202996, Transfer Certificate of Title No. 275668, Transfer Certificate of Title No. 275686, Transfer Certificate of Title No. 355409, Transfer Certificate of Title No. 47374, and Transfer Certificate of Title No. 86118 and the improvement thereon;
2. Motor vehicles, particularly described as follows:

1995 Toyota Tamaraw 2.0 5s	DPM 909	048 White
1996 Toyota Corolla XL	ULG 797	040 Super White
1996 Toyota	UMJ 181	040 Super

¹⁸⁸ Section 2, Republic Act No. 6713

Corolla XL		White
1996 Toyota Corolla XL	UMJ 203	040 Super White
1996 Toyota Corolla XL	ULR 902	040 Super White
1998 Kymco Apex Dink	TD 1998	Red
Mitsukoshi/Jincheng	PS 131	Black
Toyota Corolla XL	TVL 703	040 Freedom White
1999 Hyundai Starex Van	XSS 888	Not Indicated
2000 Toyota Corolla XL	TVV 700	040 Freedom White
1988 Chevrolet Sports Van	WLW 999	Not Indicated
2000 Toyota Corolla XL	TVU 705	040 Freedom White
2001 Toyota RAV4 AT 2.0	RAV 480	056 Frost White
Toyota Hi-Ace	XBW 909	2BZ Aqua Silver
2003 Honda Motorcycle	UR 5558	Not Indicated
2003 Harley Davidson Motorcycle	UR 5555	Not Indicated

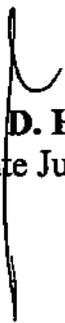
3. Business interests in:

Nine-O-Nine Transport Services	Lagro, Quezon City	350,000.00
SP 2000 Restaurant Videoke	National Hi-Way, Brgy Nueva, San Pablo, Laguna	75,000.00
Multi-Orient Satellite Group, Inc.		40,000.00

3. And such other properties equivalent to or sufficient to satisfy the amount of unexplained wealth in the total amount of **FIFTEEN MILLION EIGHT HUNDRED SIX THOUSAND FOUR HUNDRED THREE PESOS AND SIXTY FIVE CENTAVOS (P15,806,403.65)**.

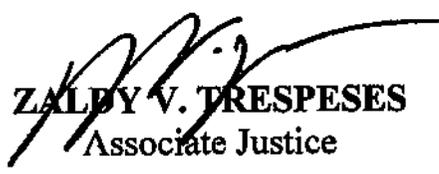
Consequently, the Preliminary Attachment dated September 6, 2011 is
MADE PERMANENT.

SO ORDERED.


GEORGINA D. HIDALGO
Associate Justice

WE CONCUR:


MA. THERESA DOLORES C. GOMEZ-ESCOESTA
Associate Justice, Chairperson


ZALBY V. TRESPES
Associate Justice

ATTESTATION

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


MA. THERESA DOLORES C. GOMEZ-ESCOESTA
Chairperson, Seventh Division

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, and the Division Chairperson's Attestation, it is hereby certified that the conclusions in the above Resolution were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


AMPARO M. CABOTAJE-TANG
Presiding Justice

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