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WHEREFORE, the writs of *certiorari* and prohibition prayed for are granted. The Court annuls and sets aside the *alias* writ of execution issued on February 2, 1985, the Order of Deputy Minister Leogardo of May 27, 1985, the Order of Director Pucan of May 28, 1985, the order of Deputy Minister Leogardo of July 25, 1985, and the resolutions of the National Labor Relations Commission of August 28, 1985 and January 7, 1986. The Court reinstates the decision of Labor Arbiter Lasquite dated August 2, 1984 and declares it to be the law of the case together with the decision of November 19, 1979. The Court further commands the private respondent, Rodolfo Nolasco, to return to petitioner MAI the difference between the sum of ₱239,850.00, received by him pursuant to the Orders of May 27 and 28, 1985, and such other amounts delivered to him in execution of the decision of November 19, 1979, on the one hand, and on the other, the total amount of back salaries and pecuniary benefits due to him in accordance with said judgment of November 19, 1979, computed up to his 60th birthday in May, 1982, and inclusive of retirement benefits under the company plan. Costs against the private respondent.

Yap (Chairman), Melencio-Herrera, Cruz, Gancayco, and *Sarmiento, JJ.*, concur.

Feliciano, J., on leave at time of deliberation.

EN BANC

[G.R. No. 75697. June 18, 1987]

VALENTIN TIO doing business under the name and style of OMI ENTERPRISES, *petitioner*, *vs.* **VIDEOGRAM REGULATORY BOARD, MINISTER OF FINANCE, METRO MANILA COMMISSION, CITY MAYOR and CITY TREASURER OF MANILA**, *respondents*.

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SYLLABUS

1. **POLITICAL LAW; LEGISLATIVE DEPARTMENT; BILL; REQUIREMENTS FOR VALIDITY.** — The Constitutional requirement that "every bill shall embrace only one subject which shall be expressed in the title thereof" is sufficiently complied with if the title be comprehensive enough to include the general purpose which a statute seeks to achieve. It is not necessary that the title express each and every end that the statute wishes to accomplish. The requirement is satisfied if all the parts of the statute are related, and are germane to the subject matter expressed in the title, or as long as they are not inconsistent with or foreign to the general subject and title. An act having a single general subject, indicated in the title, may contain any number of provisions, no matter how diverse they may be, so long as they are not inconsistent with or foreign to the general subject, and may be considered in furtherance of such subject by providing for the method and means of carrying out the general object." The rule also is that the constitutional requirement as to the title of a bill should not be so narrowly construed as to cripple or impede the power of legislation. It should be given a practical rather than technical construction.

2. **ADMINISTRATIVE LAW; VIDEOGRAM REGULATORY BOARD; TAX ON SALE, LEASE OR DISPOSITION OF VIDEOGRAMS; PURPOSE.**— Sec. 10 of P.D. 1987 is allied and germane to, and is reasonably necessary for the accomplishment of, the general object of the DECREE, which is the regulation of the video industry through the Videogram Regulatory Board as expressed in its title. The tax provision is not inconsistent with, nor foreign to that general subject and title. As a tool for regulation it is simply one of the regulatory and control mechanisms scattered throughout the DECREE. The express purpose of the DECREE to include taxation of the video industry in order to regulate and rationalize the heretofore uncontrolled distribution of videograms is evident from Preambles 2 and 5, *supra*. Those preambles explain the motives of the lawmaker in presenting the measure. The title of the DECREE, which is the creation of the Videogram Regulatory Board, is comprehensive enough to include the purposes expressed in its Preamble and reasonably covers all its provisions. It is unnecessary to express all those objectives in the title or that

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the latter be an index to the body of the DECREE. The tax imposed by the DECREE is not only a regulatory but also a revenue measure prompted by the realization that earnings of videogram establishments of around ₱600 million per annum have not been subjected to tax, thereby depriving the Government of an additional source of revenue. It is an end-user tax, imposed on retailers for every videogram they make available for public viewing. It is similar to the 30% amusement tax imposed or borne by the movie industry which the theater-owners pay to the government, but which is passed on to the entire cost of the admission ticket, thus shifting the tax burden on the buying or the viewing public. It is a tax that is imposed uniformly on all videogram operators. The levy of the 30% tax is for a public purpose. It was imposed primarily to answer the need for regulating the video industry, particularly because of the rampant film piracy, the flagrant violation of intellectual property rights, and the proliferation of pornographic video tapes. And while it was also an objective of the DECREE to protect the movie industry, the tax remains a valid imposition.

3. **ID.; ID.; POWERS; NOT AN UNDUE DELEGATION OF POWERS.**— Neither can it be successfully argued that the DECREE contains an undue delegation of legislative power. The grant in Section 11 of the DECREE of authority to the BOARD to "solicit the direct assistance of other agencies and units of the government and deputize, for a fixed and limited period, the heads or personnel of such agencies and units to perform enforcement functions for the Board" is not a delegation of the power to legislate but merely a conferment of authority or discretion as to its execution, enforcement, and implementation. "The true distinction is between the delegation of power to make the law, which necessarily involves a discretion as to what it shall be, and conferring authority or discretion as to its execution to be exercised under and in pursuance of the law. The first cannot be done; to the latter, no valid objection can be made." Besides, in the very language of the decree, the authority of the BOARD to solicit such assistance is for a "fixed and limited period" with the deputized agencies concerned being "subject to the direction and control of the BOARD." That the grant of such authority might be the source of graft and corruption would not stigmatize the DECREE as unconstitutional. Should the eventuality occur, the aggrieved parties will not be without adequate remedy in law.

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4. ID.; ID.; CREATION; NOT VIOLATIVE OF *EX POST PACTO* LAW.— The DECREE is not violative of the *ex post facto* principle. An ex *post facto* law is, among other categories, one which "alters the legal rules of evidence, and authorizes conviction upon less or different testimony than the law required at the time of the commission of the offense."

APPEARANCES OF COUNSEL

Nelson Y. Ng for petitioner.

The City Legal Officer for respondents City Mayor and City Treasurer.

D E C I S I O N

MELENCIO-HERRERA, *J.*:

This petition was filed on September 1, 1986 by petitioner on his own behalf and purportedly on behalf of other videogram operators adversely affected. It assails the constitutionality of Presidential Decree No. 1987 entitled "An Act Creating the Videogram Regulatory Board" with broad powers to regulate and supervise the videogram industry (hereinafter briefly referred to as the BOARD). The Decree was promulgated on October 5, 1985 and took effect on April 10, 1986, fifteen (15) days after completion of its publication in the Official Gazette.

On November 5, 1985, a month after the promulgation of the abovementioned decree, Presidential Decree No. 1994 amended the National Internal Revenue Code providing, *inter alia*:

"SEC. 134. Video Tapes. — There shall be collected on each processed video-tape cassette, ready for playback, regardless of length, an annual tax of five pesos; Provided, That locally manufactured or imported blank video tapes shall be subject to sales tax."

On October 23, 1986, the Greater Manila Theaters Association, Integrated Movie Producers, Importers and Distributors Association of the Philippines, and Philippine Motion Pictures

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Producers Association, hereinafter collectively referred to as the Intervenors, were permitted by the Court to intervene in the case, over petitioner's opposition, upon the allegations that intervention was necessary for the complete protection of their rights and that their "survival and very existence is threatened by the unregulated proliferation of film piracy." The Intervenors were thereafter allowed to file their Comment in Intervention.

The rationale behind the enactment of the DECREE, is set out in its preambular clauses as follows:

"1. WHEREAS, the proliferation and unregulated circulation of videograms including, among others, videotapes, discs, cassettes or any technical improvement or variation thereof, have greatly prejudiced the operations of moviehouses and theaters, and have caused a sharp decline in theatrical attendance by at least forty percent (40%) and a tremendous drop in the collection of sales, contractor's specific, amusement and other taxes, thereby resulting in substantial losses estimated at ₱450 Million annually in government revenues;

"2. WHEREAS, videogram(s) establishments collectively earn around ₱600 Million per annum from rentals, sales and disposition of videograms, and such earnings have not been subjected to tax, thereby depriving the Government of approximately ₱180 Million in taxes each year;

"3. WHEREAS, the unregulated activities of videogram establishments have also affected the viability of the movie industry, particularly the more than 1,200 movie houses and theaters throughout the country, and occasioned industry-wide displacement and unemployment due to the shutdown of numerous moviehouses and theaters;

"4. WHEREAS, in order to ensure national economic recovery, it is imperative for the Government to create an environment conducive to growth and development of all business industries, including the movie industry which has an accumulated investment of about ₱3 Billion.

"5. WHEREAS, proper taxation of the activities of videogram establishments will not only alleviate the dire financial condition of the movie industry upon which more than 75,000 families and 500,00 workers depend for their livelihood, but also provide an additional

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source of revenue for the Government, and at the same time rationalize the heretofore distribution of videograms;

"6. WHEREAS, the rampant and unregulated showing of obscene videogram features constitutes a clear and present danger to the moral and spiritual well-being of the youth, and impairs the mandate of the Constitution for the State to support the rearing of the youth for civic efficiency and the development of moral character and promote their physical, intellectual, and social being;

"7. WHEREAS, civic-minded citizens and groups have called for remedial measures to curb these blatant malpractice's which have flaunted our censorship and copyright law;

"8. WHEREAS, in the face of these grave emergencies corroding the moral values of the people and betraying the national economic recovery program, bold emergency measures must be adopted with dispatch; x x x" (Numbering of paragraphs supplied).

Petitioner's attack on the constitutionality of the DECREE rests on the following grounds:

"1. Section 10 thereof, which imposes a tax of 30% on the gross receipts payable to the local government is a RIDER and the same is not germane to the subject matter thereof;

"2. The tax imposed is harsh, confiscatory, oppressive and/or in unlawful restraint of trade in violation of the due process clause of the Constitution;

"3. There is no factual nor legal basis for the exercise by the President of the vast powers conferred upon him by Amendment No. 6;

"4. There is undue delegation of power and authority;

"5. The Decree is an *ex-post facto* law; and

"6. There is over regulation of the video industry as if it were a nuisance, which it is not."

We shall consider the foregoing objections in *seriatim*.

1. The Constitutional requirement that "every bill shall embrace only one subject which shall be expressed in the title

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thereof"[1] is sufficiently complied with if the title be comprehensive enough to include the general purpose which a statute seeks to achieve. It is not necessary that the title express each and every end that the statute wishes to accomplish. The requirement is satisfied if all the parts of the statute are related, and are germane to the subject matter expressed in the title, or as long as they are not inconsistent with or foreign to the general subject and title.[2] An act having a single general subject, indicated in the title, may contain any number of provisions, no matter how diverse they may be, so long as they are not inconsistent with or foreign to the general subject, and may be considered in furtherance of such subject by providing for the method and means of carrying out the general object."[3] The rule also is that the constitutional requirement as to the title of a bill should not be so narrowly construed as to cripple or impede the power of legislation.[4] It should be given a practical rather than technical construction.[5]

Tested by the foregoing criteria, petitioner's contention that the tax provision of the DECREE is a rider is without merit. That section reads, *inter alia*:

"Section 10. Tax on Sale, Lease or Disposition of Videograms. — Notwithstanding any provision of law to the contrary, the province shall collect a tax of thirty percent (30%) of the purchase price or rental rate, as the case may be, for every sale, lease or disposition of a videogram containing a reproduction of any motion picture or audiovisual program. Fifty percent (50%) of the proceeds of the tax collected shall accrue to the province, and the other fifty percent

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[1] Section 19[1]. Article VIII, 1973 Constitution; Section 26[1], Article VI, 1987 Constitution.

[2] *Sumulong vs. COMELEC*, No. 48609, October 10, 1941, 73 Phil. 288; *Cordero vs. Hon. Jose Cabatuando, et al.*, L-14542, Oct. 31, 1962, 6 SCRA 418.

[3] Public Service Co., Recktenwald, 290 Ill. 314, 8 A.L.R. 466, 470.

[4] *Government vs. Hongkong & Shanghai Banking Corporation*, No. 44257, November 22, 1938, 66 Phil. 483; *Cordero vs. Cabatuando, et al., supra.*

[5] *Sumulong vs. Commission on Elections, supra.*

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(50%) shall accrue to the municipality where the tax is collected; PROVIDED, That in Metropolitan Manila, the tax shall be shared equally by the City/Municipality and the Metropolitan Manila Commission.

x x x x x x x x x"

The foregoing provision is allied and germane to, and is reasonably necessary for the accomplishment of, the general object of the DECREE, which is the regulation of the video industry through the Videogram Regulatory Board as expressed in its title. The tax provision is not inconsistent with, nor foreign to that general subject and title. As a tool for regulation[6] it is simply one of the regulatory and control mechanisms scattered throughout the DECREE. The express purpose of the DECREE to include taxation of the video industry in order to regulate and rationalize the heretofore uncontrolled distribution of videograms is evident from Preambles 2 and 5, *supra*. Those preambles explain the motives of the lawmaker in presenting the measure. The title of the DECREE, which is the creation of the Videogram Regulatory Board, is comprehensive enough to include the purposes expressed in its Preamble and reasonably covers all its provisions. It is unnecessary to express all those objectives in the title or that the latter be an index to the body of the DECREE.[7]

2. Petitioner also submits that the thirty percent (30%) tax imposed is harsh and oppressive, confiscatory, and in restraint of trade. However, it is beyond serious question that a tax does not cease to be valid merely because it regulates, discourages, or even definitely deters the activities taxed.[8] The power to impose taxes is one so unlimited in force and so searching in extent, that the courts scarcely venture to declare that it is subject to any restrictions whatever, except such as rest in the discretion of the authority which exercises it.[9] In

[6] *United States vs. Sanchez*, 340 U.S. 42, 44, 1950, cited in Bernas, *Philippine Constitutional Law*, p. 594.

[7] *People vs. Carlos*, L-239, June 30, 1947, 78 Phil. 535.

[8] *U.S. vs. Sanchez, supra.*

[9] II Cooley, *A Treatise on the Constitutional Limitations*, p. 986.

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imposing a tax, the legislature acts upon its constituents. This is, in general, a sufficient security against erroneous and oppressive taxation.[10]

The tax imposed by the DECREE is not only a regulatory but also a revenue measure prompted by the realization that earnings of videogram establishments of around ₱600 million per annum have not been subjected to tax, thereby depriving the Government of an additional source of revenue. It is an end-user tax, imposed on retailers for every videogram they make available for public viewing. It is similar to the 30% amusement tax imposed or borne by the movie industry which the theater-owners pay to the government, but which is passed on to the entire cost of the admission ticket, thus shifting the tax burden on the buying or the viewing public. It is a tax that is imposed uniformly on all videogram operators.

The levy of the 30% tax is for a public purpose. It was imposed primarily to answer the need for regulating the video industry, particularly because of the rampant film piracy, the flagrant violation of intellectual property rights, and the proliferation of pornographic video tapes. And while it was also an objective of the DECREE to protect the movie industry, the tax remains a valid imposition.

"The public purpose of a tax may legally exist even if the motive which impelled the legislature to impose the tax was to favor one industry over another.[11]

"It is inherent in the power to tax that a state be free to select the subjects of taxation, and it has been repeatedly held that "inequities which result from a singling out of one particular class for taxation or exemption infringe no constitutional limitation.'"[12] Taxation has been made the implement of the state's police power.[13]

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[10] *Ibid.*, p. 987.

[11] *Magnano Co. vs. Hamilton*, 292, U.S. 40.

[12] *Lutz vs. Araneta*, L-7859, December 22, 1955, 98 Phil. 148, citing *Carmichael vs. Southern Coal and Coke Co.*, 301 U.S. 495, 81 L. ed. 1245.

[13] *Ibid.*, citing *Great Atl. and Pacific Tea Co. vs. Grosjean*, 301 U.S. 412, 81 L. Ed. 1193; *U.S. vs. Butler*, 297 U.S. 1, 80 L. Ed. 477; *M'Culloch vs. Maryland*, 4 Wheat, 316, 4 L. Ed. 579.

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At bottom, the rate of tax is a matter better addressed to the taxing legislature.

3. Petitioner argues that there was no legal nor factual basis for the promulgation of the DECREE by the former President under Amendment No. 6 of the 1973 Constitution providing that "whenever in the judgment of the President x x x, there exists a grave emergency or a threat or imminence thereof, or whenever the interim Batasang Pambansa or the regular National Assembly fails or is unable to act adequately on any matter for any reason that in his judgment requires immediate action, he may, in order to meet the exigency, issue the necessary decrees, orders, or letters of instructions, which sharp form part of the law of the land."

In refutation, the Intervenors and the Solicitor General's Office aver that the 8th "whereas" clause sufficiently summarizes the justification in that grave emergencies corroding the moral values of the people and betraying the national economic recovery problem necessitated bold emergency measures to be adopted with dispatch. Whatever the reasons "in the judgment" of the then President, considering that the issue of the validity of the exercise of legislative power under the said Amendment still pends resolution in several other cases, we reserve resolution of the question raised at the proper time.

4. Neither can it be successfully argued that the DECREE contains an undue delegation of legislative power. The grant in Section 11 of the DECREE of authority to the BOARD to "solicit the direct assistance of other agencies and units of the government and deputize, for a fixed and limited period, the heads or personnel of such agencies and units to perform enforcement functions for the Board" is not a delegation of the power to legislate but merely a conferment of authority or discretion as to its execution, enforcement, and implementation. "The true distinction is between the delegation of power to make the law, which necessarily involves a discretion as to what it shall be, and conferring authority or discretion as to its execution to be exercised under and in pursuance of the law. The first cannot be done; to the latter, no valid objection can

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be made."[14] Besides, in the very language of the decree, the authority of the BOARD to solicit such assistance is for a "fixed and limited period" with the deputized agencies concerned being "subject to the direction and control of the BOARD." That the grant of such authority might be the source of graft and corruption would not stigmatize the DECREE as unconstitutional. Should the eventuality occur, the aggrieved parties will not be without adequate remedy in law.

5. The DECREE is not violative of the *ex post facto* principle. An *ex post facto law* is, among other categories, one which "alters the legal rules of evidence, and authorizes conviction upon less or different testimony than the law required at the time of the commission of the offense." It is petitioner's position that Section 15 of the DECREE in providing that:

> "All videogram establishments in the Philippines are hereby given a period of forty-five (45) days after the effectivity of this Decree within which to register with and secure a permit from the BOARD to engage in the videogram business and to register with the BOARD all their inventories of videograms, including videotapes, discs, cassettes or other technical improvements or variations thereof, before they could be sold, leased, or otherwise disposed of. Thereafter any videogram found in the possession of any person engaged in the videogram business without the required proof of registration by the BOARD, shall be *prima facie* evidence of violation of the Decree, whether the possession of such videogram be for private showing and/or public exhibition."

raises immediately a *prima facie* evidence of violation of the DECREE when the required proof of registration of any videogram cannot be presented and thus partakes of the nature of an *ex post facto* law.

The argument is untenable. As this Court held in the recent case of *Vallarta vs. Court of Appeals, et al.*[15]

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[14] *Cincinnati, W. & Z.R. Co. vs. Clinton County Comrs.* (1852) 1 Ohio St. 88.

[15] G.R. No. L-40195, May 29, 1987.

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"x x x it is now well settled that 'there is no constitutional objection to the passage of a law providing that the presumption of innocence may be overcome by a contrary presumption founded upon the experience of human conduct, and enacting what evidence shall be sufficient to overcome such presumption of innocence' (*People vs. Mingoa*, 92 Phil. 856 [1953] at 858-59, citing 1 COOLEY, *A TREATISE ON THE CONSTITUTIONAL LIMITATIONS*, 639-641). And the 'legislature may enact that when certain facts have been proved that they shall be *prima facie* evidence of the existence of the guilt of the accused and shift the burden of proof provided there be a rational connection between the facts proved and the ultimate facts presumed so that the inference of the one from proof of the others is not unreasonable and arbitrary because of lack of connection between the two in common experience.'"[16]

Applied to the challenged provision, there is no question that there is a rational connection between the fact proved, which is non-registration, and the ultimate fact presumed which is violation of the DECREE, besides the fact that the *prima facie* presumption of violation of the DECREE attaches only after a forty-five-day period counted from its effectivity and is, therefore, neither retrospective in character.

6. We do not share petitioner's fears that the video industry is being over-regulated and being eased out of existence as if it were a nuisance. Being a relatively new industry, the need for its regulation was apparent. While the underlying objective of the DECREE is to protect the moribund movie industry, there is no question that public welfare is at bottom of its enactment, considering "the unfair competition posed by rampant film piracy; the erosion of the moral fiber of the viewing public brought about by the availability of unclassified and unreviewed video tapes containing pornographic films and films with brutally violent sequences; and losses in government revenues due to the drop in theatrical attendance, not to mention the fact that the activities of video establishments are virtually untaxed since mere payment

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[16] *Ibid.*, citing *People vs. Mingoa, supra*, See also *U.S. vs. Lulling*, No. 11162, August 12, 1916, 34 Phil. 725.

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of Mayor's permit and municipal license fees are required to engage in business."[17]

The enactment of the Decree since April 10, 1986 has not brought about the "demise" of the video industry. On the contrary, video establishments are seen to have proliferated in many places notwithstanding the 30% tax imposed.

In the last analysis, what petitioner basically questions is the necessity, wisdom and expediency of the DECREE. These considerations, however, are primarily and exclusively a matter of legislative concern.

"Only congressional power or competence, not the wisdom of the action taken, may be the basis for declaring a statute invalid. This is as it ought to be. The principle of separation of powers has in the main wisely allocated the respective authority of each department and confined its jurisdiction to such a sphere. There would then be intrusion not allowable under the Constitution if on a matter left to the discretion of a corporate branch, the judiciary would substitute its own. If there be adherence to the rule of law, as there ought to be, the last offender should be courts of justice, to which rightly litigants submit their controversy precisely to maintain unimpaired the supremacy of legal norms and prescriptions. The attack on the validity of the challenged provision likewise insofar as there may be objections, even if valid and cogent, on its wisdom cannot be sustained."[18]

In fine, petitioner has not overcome the presumption of validity which attaches to a challenged statute. We find no clear violation of the Constitution which would justify us in pronouncing Presidential Decree No. 1987 as unconstitutional and void.

WHEREFORE, the instant Petition is hereby dismissed.

No costs.

SO ORDERED.

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[17] Solicitor General's Comments, p. 102, *Rollo*.

[18] *Morfe vs. Mutuc*, L-20387, January 31, 1968, 22 SCRA 424, 450-451.

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Teehankee, C.J., Yap, Fernan, Narvasa, Gutierrez, Jr., Cruz, Paras, Feliciano, Gancayco, Padilla, Bidin, Sarmiento, and *Cortes, JJ.*, concur.

EN BANC

[G.R. No. L-48642. June 22, 1987]

THE PEOPLE OF THE PHILIPPINES, *plaintiff-appellee, vs.* **TOMAS SALCEDO, ROBERTO ESGUERRA, ROBERTO MADAYAO, and ALBERTO LEBAN,** *defendants-appellants.*

SYLLABUS

REMEDIAL LAW; EVIDENCE; FINDINGS OF TRIAL COURT, NOT DISTURBED IF SUPPORTED BY EVIDENCE.— The trial court did not give credence to the theory of self-defense put up by the accused, inasmuch as there was no evidence that the victims were armed during the incident. It was also noted by the court that none of the accused were injured during the incident, while the victims were the only ones who sustained fatal or serious injuries. The court found sufficient evidence to establish that the accused were the ones who were armed with deadly weapons, including a spear, several pieces of IDW (ice picks) and darts which were surrendered to the prison guards by Generoso Dungca and by an unidentified inmate from Dormitory No. 4-D; some were recovered near the water tank of the said building. We find no reason to disturb the findings of the trial court. A complete review of the record raises no doubt in our mind that the decision of the court is supported by the evidence adduced at the trial.