

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Philippines

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4385



INTRODUCED BY HONORABLE DR. REY B. AQUINO

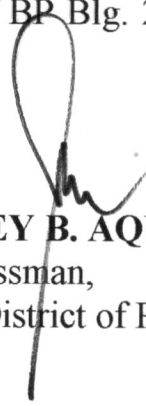
EXPLANATORY NOTE

B.P. Blg. 22, also known as the “Bouncing Check Law,” provides as a general rule that the drawer (or issuer/signer) of the check is criminally liable for the issuance of the bum check. Thus, as far as personal checks are concerned, there is no problem identifying who is liable. However, for corporate checks, it would seem that the criminal liability does not automatically attach to the corporate signatory.

True, Sec. 1 of BP Blg. 22 provides that the person who actually signed the check in behalf of the corporation shall be liable under the law. However, the law also requires that, to be liable, the person who issues the check must have knowledge at the time of the check’s issuance that the check has no funds or is not sufficiently funded.

In reality, not all corporate signatories have access to the corporate accounts or know if the checks they sign are sufficiently funded. Some corporate signatories are mere clerks of certain departments who are tasked to issue checks by higher officers. This scenario, therefore, becomes a loophole in the law – if the corporate signatory does not know at the time of the issuance of the check that the check has no funds or is not sufficiently funded, he cannot be held criminally liable for violation of BP Blg. 22, even if he was the one who signed the checks.

To arrest this situation, the law needs to be amended. It is toward this end that approval of this bill for the amendment of BP Blg. 22 is earnestly requested.


DR. REY B. AQUINO,
Congressman,
Third District of Pampanga

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Philippines

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4385

Introduced by Representative Dr. Rey B. Aquino

**AN ACT MAKING THE CORPORATE
SIGNATORIES AND OTHER CORPORATE
OFFICERS LIABLE FOR BOUNCING CHECKS,
AMENDING FOR THIS PURPOSE BATAS
PAMBANSA BLD. 22, OTHERWISE KNOWN AS
THE “BOUNCING CHECK LAW”.**

SECTION 1. Title – This Act shall be known as the “Revised B.P.
Blg. 22”.

SECTION 2. The third paragraph of Section 1, B.P. Blg. 22 is hereby
amended as follow:

“ XXX XXX XXX

*Where the check is drawn by a corporation, company or
entity, the person or persons who actually signed the check, AS
WELL AS THE DIRECTORS, OFFICERS AND/OR
GENERAL MANAGER OF THE CORPORATION,
COMPANY OR ENTITY WHO INDUCES, CAUSES OR
ALLOWS SUCH ISSUANCE, shall be liable under this Act.*

XXX XXX XXX”

SECTION 3. Repealing Clause. – All laws, decrees, executive orders,
rules and regulations or parts thereof contrary to, or inconsistent with this
Act are hereby modified or repealed accordingly.

SECTION 4. Effectivity. – This Act shall take effect fifteen (15) days
after its publication in at least two (2) newspapers of general circulation.

APPROVED.