

# Liquidation of Partnerships under the Civil Code of the Philippines

Javier J. Nepomuceno

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Prior to the effectivity of the New Civil Code in 1950, the law on partnerships in the Philippines found its roots in the Spanish Civil Code (*Codigo Civil*) of 1889, and the Spanish Code of Commerce (*Codigo de Comercio*) of 1888. With the New Civil Code, only one law on partnerships is present, and the distinctions between civil and commercial partnerships, espoused in the old law, has been eliminated. As such, the Article looks into the effect of the new Code on the liquidation of partnerships and the determination of liabilities of partners upon its dissolution. The Article, however, limits itself to a discussion of the liabilities of general partners under valid and enforceable contracts of the partnership. Nevertheless, within these limitations, the Article presents an exhaustive discussion of the provisions of the New Civil Code and their effect on the liabilities of partners in the event of dissolution, complete with specific illustrations to guide the reader.