

Capitalizing on Capital: The Supreme Court's *Obiter Dictum* in Defining Capital Under the Constitution

Juan Fidel F. Nograles

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In the case of *Heirs of Wilson P. Gamboa v. Teves*, the Supreme Court denied several motions filed in relation to the prior ruling made in *Gamboa v. Teves* with regard to the term “capital” under Section 11, Article XII of the Constitution. In the same case, the Court ruled that the imposition of foreign equity restriction must *separately* apply to each class of shares.

In this Case Comment, the Author seeks to shed light on the constitutional definition of capital by suggesting that: (1) some of the statements made by the Court in the case must be deemed *obiter dictum*; and (2) the total outstanding capital stock proposal made by Justice Velasco, Jr. in his dissenting opinions must be included in the guidelines to be released by the Securities and Exchange Commission in compliance with the *Gamboa* cases. In particular, the Author highlighted three parameters, namely: (1) voting stock, (2) beneficial ownership over the voting stock, and (3) total outstanding capital stock.