

In Defense of Guaranty Checks under B.P. 22

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SUBJECT(S): BOUNCING CHECKS LAW, GUARANTY CHECKS

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There is cloud in the interpretation and application of the Bouncing Checks Law, otherwise known as *Batas Pambansa (B.P.) Blg. 22*. Due to conflicting memorandum circulars issued by the Department of Justice, the doubt arose as to whether or not checks issued to guarantee the payment of an obligation are covered by the penal sanctions of the law. The Author concludes that *B.P. Blg. 22* does not cover guaranty checks and the explanatory note supports the view.