
www.congress.gov.ph

LAWNUM: RA07582

DATE : 05/27/92

TITLE : AN ACT RENEWING THE FRANCHISE GRANTED TO THE CONSOLIDATED
BROADCASTING SYSTEM, INC., PREVIOUSLY KNOWN AS THE AUDIENCE,
INCORPORATED, TO CONSTRUCT, MAINTAIN AND OPERATE RADIO BROADCASTING
AND

TELEVISION STATIONS IN THE PHILIPPINES, UNDER REPUBLIC ACT NUMBERED
THIRTY-NINE HUNDRED AND TWO, TO ANOTHER TWENTY-FIVE (25) YEARS FROM
THE

DATE OF APPROVAL OF THIS ACT

TEXT :

H. No. 32157

Republic of the Philippines
Congress of the Philippines
Metro Manila

Fifth Regular Session

Begun and held in Metro Manila, on Monday, the twenty-second
day of July, nineteen hundred and ninety-one.

[REPUBLIC ACT NO. 07582]

AN ACT RENEWING THE FRANCHISE GRANTED TO THE
CONSOLIDATED BROADCASTING SYSTEM, INC.,
PREVIOUSLY KNOWN AS THE AUDIENCE,
INCORPORATED, TO CONSTRUCT, MAINTAIN AND
OPERATE RADIO BROADCASTING AND TELEVISION
STATIONS IN THE PHILIPPINES, UNDER REPUBLIC
ACT NUMBERED THIRTY-NINE HUNDRED AND TWO,
TO ANOTHER TWENTY-FIVE (25) YEARS FROM THE
DATE OF APPROVAL OF THIS ACT

Be it enacted by the Senate and House of Representatives of
the Philippines in Congress assembled:

SECTION 1. Renewal of Franchise. - The franchise of the Consolidated Broadcasting System, Inc., previously known as the Audience, Incorporated, its successors or assigns, hereinafter referred to as the grantee, to construct, maintain and operate radio broadcasting and television stations in the Philippines, under Republic Act Numbered Thirty-nine hundred and two, is hereby renewed to another twenty-five (25) years from the date of approval of this Act.

SEC. 2. Integration of Republic Act No. 3902. - All the other provisions, terms and conditions contained in Republic Act No. 3902 are hereby made integral parts of this Act.

SEC. 3. Public Ownership. - In compliance with the Constitutional mandate to democratize ownership of public utilities the herein grantee shall make public offering through the stock exchanges of at least thirty percent (30%) of its common stocks within a period of three (3) years from the date of effectivity of this Act: Provided, That no single person or entity shall be allowed to own more than five percent (5%) of the stock offerings.

SEC. 4. Tax Provisions. - The grantee, its successors or assigns shall be liable to pay the same taxes on their real estate, buildings and personal property, exclusive of this franchise, as other persons or corporations which are now or hereafter may be required by law to pay. In addition thereto, the grantee, its successors or assigns shall pay a franchise tax equivalent to three percent (3%) of all gross receipts of the radio/television business transacted under this franchise by the grantee, its successors or assigns and the said percentage shall be in lieu of all taxes on this franchise or earnings thereof: Provided, That the grantee, its successors or assigns shall continue to be liable for income taxes payable under Title II of the National Internal Revenue Code pursuant to Section 2 of Executive Order No. 72 unless the latter enactment is amended or repealed, in which case the amendment or repeal shall be applicable thereto.

The grantee shall file the return with and pay the tax due thereon to the Commissioner of Internal Revenue or his duly authorized representative in accordance with the National Internal Revenue Code. The return shall be subject to audit by the Bureau of Internal Revenue.

SEC. 5. Sale, Lease, Transfer, Usufruct, etc. - The grantee shall not lease, transfer, grant the usufruct of, sell or assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or entity, nor merge with any other corporation or entity without the prior approval of the Congress of the Philippines. Neither shall the controlling interest in the grantee be transferred, whether as a whole or in parts and

whether simultaneously or contemporaneously, to any such person, firm, company, corporation or entity without the prior approval of the Congress of the Philippines. Any person or entity to which this franchise is validly sold, transferred or assigned shall be subject to all the same conditions, terms, restrictions and limitations of this Act.

SEC. 6. Repealing Clause. - The franchise hereby granted shall be subject to amendment, alteration or repeal by the Congress of the Philippines when the common good so desires.

SEC. 7. Reportorial Requirement. - The grantee shall submit an annual report to the Congress of the Philippines on its compliance with the terms and conditions of the franchise and on its operations within sixty (60) days from the end of every year.

SEC. 8. General Broadcast Policy. - The grantee shall comply with and be subject to the provisions of a general broadcast policy law that may hereafter be enacted.

SEC. 9. Separability Clause. - If any of the sections or provisions of this Act is held invalid, all the other provisions not affected thereby shall remain valid.

SEC. 10. Effectivity. - This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general

Approved,

	NEPTALI A. GONZALES	RAMON V.
MITRA	President of the Senate	Speaker of the House of Representatives

This Act which originated from the House of Representatives was finally passed by the House of Representatives and the Senate February 6, 1992 and February 4, 1992, respectively.

	ANACLETO D. BADOY, JR.	CAMILO L.
SABIO		

Secretary of the Senate

Secretary General
House of Representatives

Approved: May 27 1992

CORAZON C. AQUINO
President of the Philippines