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LAWNUM: RA07634

DATE : 07/24/92

TITLE : AN ACT AUTHORIZING THE TRANSFER AND ASSIGNMENT TO THE BOHOL  
CHRONICLE RADIO CORPORATION OF THE FRANCHISE TO CONSTRUCT, OPERATE  
AND  
MAINTAIN TELEVISION AND RADIO BROADCASTING STATIONS IN THE PROVINCE  
OF  
BOHOL GRANTED UNDER REPUBLIC ACT NUMBERED FORTY-SEVEN HUNDRED AND  
NINETY-TWO TO ZOILO DEJARESCO, JR., AND ALL THE PROPERTIES AND  
RIGHTS  
ACQUIRED THEREUNDER OF ZOILO DEJARESCO, JR., AND RENEWING THE TERMS  
OF  
THE SAID FRANCHISE TO ANOTHER TWENTY-FIVE (25) YEARS FROM THE DATE  
OF  
EFFECTIVITY OF THIS ACT

TEXT :

H. No. 35200

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. 07634]

AN ACT AUTHORIZING THE TRANSFER AND ASSIGNMENT  
TO THE BOHOL CHRONICLE RADIO CORPORATION OF  
THE FRANCHISE TO CONSTRUCT, OPERATE AND  
MAINTAIN TELEVISION AND RADIO BROADCASTING  
STATIONS IN THE PROVINCE OF BOHOL GRANTED  
UNDER REPUBLIC ACT NUMBERED FORTY-SEVEN  
HUNDRED AND NINETY-TWO TO ZOILO DEJARESCO,  
JR., AND ALL THE PROPERTIES AND RIGHTS

ACQUIRED THEREUNDER OF ZOILO DEJARESCO,  
JR., AND RENEWING THE TERMS OF THE SAID  
FRANCHISE TO ANOTHER TWENTY-FIVE (25) YEARS  
FROM THE DATE OF EFFECTIVITY OF THIS ACT

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

SECTION 1. Transfer and Assignment of the Franchise. -The transfer and assignment to the Bohol Chronicle Radio Corporation, a corporation organized and existing in accordance with the laws of the Philippines, of the franchise to construct, operate and maintain television and radio broadcasting stations in the Province of Bohol granted under Republic Act Numbered Forty-seven hundred and ninety-two to Zoilo Dejaresco, Jr., and all the properties and rights acquired thereunder by Zoilo Dejaresco, Jr., is hereby authorized and approved.

SEC. 2. Incorporation of Other Provisions of Republic Act No. 4792. - All other provisions, terms and conditions contained in Republic Act No. 4792 which are still in force and are not affected by this Act are hereby made integral parts of this Act.

SEC. 3. Parity Clause. - In the event any competing individual, partnership or corporation has received or shan receive from the Congress of the Philippines a similar franchise containing any term or terms more favorable than those herein granted or tending to place the herein grantee at any disadvantage, then such term or terms shall ipso facto become a part of the terms hereof and shall operate equally in favor of the grantee as in the case of said competing individual, partnership or corporation.

SEC. 4. Manner of Operation of Stations or Facilities. - The stations or facilities of the grantee shall be constructed and operated in a manner as will at most result only in the minimum interference on the wavelengths or frequencies of the other existing stations or stations which may be established by law.

SEC. 5. Prior Approval of the National Telecommunications Commission. - The grantee shall secure from the National Telecommunications Commission the appropriate permits and licenses for its stations and shall not use any frequency in the radio/television spectrum without having been authorized by the Commission. The Commission, however, shall not unreasonably withhold or delay the grant of any such authority.

SEC. 6. Responsibility to the Public. - The grantee shall provide reasonable public service time to enable the Government, through the said broadcasting stations, to reach

the population on important public issues; provide at all times sound and balanced programming; promote public participation such as in community programming; assist in the functions of public information and education; conform to the ethics of honest enterprise; and not use its stations for the broadcasting of obscene and indecent language or speech, or for the dissemination of deliberately false information or willful misrepresentation to the detriment of the public interest, or to incite, encourage, or assist in subversive or treasonable acts.

SEC. 7. Right of Government. - The President of the Philippines, in times of rebellion, public peril, calamity, emergency, disaster or disturbance of peace and order, may temporarily take over and operate the stations of the grantee, temporarily suspend the operation of any station in the interest of public safety, security and public welfare, or authorize the temporary use and operation thereof by any agency of the Government, upon due compensation to the grantee, for the use of said stations during the period when they shall be so operated.

SEC. 8. 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 11 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 and the return shall be subject to audit by the Bureau of Internal Revenue.

SEC. 9. Self-regulation by and Undertaking of Grantee. -The grantee shall not require any previous censorship of any speech, play, act, scene or other matter to be broadcast and/or telecast from its stations; but if any such speech, play, act, scene or other matter should constitute a violation of the law or infringement of a private right, the grantee shall be free from any liability, civil or criminal, for such speech, play, act, scene or other matter: Provided, That the grantee, during any broadcast or telecast, shall cut

off from the air the speech, play, act, scene or other matter being broadcast if the tendency thereof is to propose and/or incite treason, rebellion or sedition; or the language used therein or the theme thereof is indecent or immoral; and willful failure to do so shall constitute a valid cause for the cancellation of this franchise.

SEC. 10. Warranty in Favor of National and Local Governments. - The grantee shall hold the national, provincial and municipal governments of the Philippines harmless from all claims, accounts, demands or actions arising out of accidents or injuries, whether to property or to persons, caused by the construction or operation of the stations of the grantee.

SEC. 11. 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 private 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. 12. Renewal of the Franchise. - The term of the franchise granted under Republic Act No. 4792 is hereby renewed to another twenty-five (25) years from the date of effectivity of this Act.

SEC. 13. General Broadcast Policy Law. - The grantee shall comply with and be subject to the provisions of a general broadcast policy law that may hereafter be enacted.

SEC. 14. 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. 15. Repealability and Non-exclusivity Clause. - This franchise shall be subject to amendment, alteration or repeal by the Congress of the Philippines when the public interest so requires and shall not be interpreted as an exclusive grant of the privileges herein provided for.

SEC. 16. Reportorial Requirement. - The grantee shall submit an annual report to the Congress of the Philippines on its compliance with the terms and conditions of this franchise and on its operations within sixty (60) days from the end of every year.

SEC. 17. Effectivity Clause. - This Act shall take effect fifteen (15) days from the date of its publication in at least two (2) newspapers of general circulation in the Philippines.

Approved,

NEPTALI A. GONZALES  
President of the Senate

RAMON V. MITRA  
Speaker of the House  
of Representatives

This Act which originated in the House of Representatives was finally passed by the House of Representatives and the Senate on January 27, 1992 and February 7, 1992, respectively.

ANACLETO D. BADOY, JR.  
Secretary of the Senate

CAMILO L. SABIO  
Secretary General  
House of Representatives

Approved: July 24 1992

FIDEL V. RAMOS  
President of the Philippines