

REPUBLIC ACT NO. 8158

AN ACT EXTENDING THE FRANCHISE GRANTED TO JORGE D. BAYONA UNDER REPUBLIC ACT NUMBERED FIFTY-SEVEN HUNDRED EIGHTY-NINE, ASSIGNING IT IN FAVOR OF PBN BROADCASTING NETWORK, INC., AND RENEWING THE TERM THEREOF FOR ANOTHER TWENTY-FIVE (25) YEARS FROM THE DATE OF THE EFFECTIVITY OF THIS ACT

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

SECTION 1. The term of the franchise granted to Jorge D. Bayona under Republic Act Numbered Fifty-seven hundred eighty-nine is hereby renewed to another twenty-five (25) years and is assigned to PBN Broadcasting Network, Inc.

SEC. 2. Subject to applicable rules and regulations of the National Telecommunications Commission, the grantee is hereby authorized to construct, maintain, establish, and operate radio broadcasting and television stations in the Philippines, as well as fixed point-to-point and land-based to sea mobile radio stations for the reception and transmission of radio communications within the Philippines at such places as herein grantee may select.

SEC. 3. 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 the 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. 4. 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 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Internal Revenue Code pursuant to Section 2 of Executive Order No. 72 unless the latter enactment is amended or repealed, in which case the amendment or repeal shall be applicable thereto.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 and the return shall be subject to audit by the Bureau of Internal Revenue.

SEC. 5. 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, except when the transfer is done: (a) through a stock exchange transaction; (b) for purposes of qualifying persons for election to the board; and (c) to a corporation that is controlled by the same stockholders as that of the grantee. 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. The franchise hereby granted 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. 7. In the event of any competing individual, partnership, or corporation receiving from Congress a similar franchise in which there shall be 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 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. 8. 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. 9. This Act shall take effect fifteen (15) days from the day of its publication in at least two (2) newspapers of general circulation in the Philippines.

Lapsed into law on September 23, 1995 without the President's signature, pursuant to Sec. 27(1), Article VI of the Constitution.