

REPUBLIC ACT NO. 8120

AN ACT GRANTING THE ANDRES BONIFACIO COLLEGE BROADCASTING SYSTEM, INC., A FRANCHISE TO CONSTRUCT, MAINTAIN, AND OPERATE RADIO BROADCASTING STATIONS AND STATIONS FOR TELEVISION IN THE ISLAND OF MINDANAO FOR EDUCATIONAL, CULTURAL, AND COMMERCIAL PURPOSES

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

SECTION 1. Subject to the provisions of the Constitution, the Andres Bonifacio College Broadcasting System, Inc., is hereby granted a franchise to construct, maintain, and operate radio broadcasting stations and stations for television in the island of Mindanao for educational, scientific and cultural, as well as for commercial purposes.

SEC. 2. This franchise shall continue for a period of twenty-five (25) years from the date the said station shall be put in operation, and is granted upon the expressed condition that the same shall be void unless the construction of at least one radio broadcasting station or one station for television be begun within two (2) years from the date of approval of this Act and be completed within four (4) years from said date.

SEC. 3. The franchise is likewise made upon the expressed condition that the grantee shall provide adequate public service time to enable the government, through its stations, to reach the population on important public issues; assist in the functions of public information and education; conform to the ethics of honest enterprise; and not use its stations for the dissemination of deliberately false information or willful misrepresentation, to the detriment of public health and morals, or incite, encourage, or assist in subversive or treasonable acts.

SEC. 4. A special right is reserved to the government of the Republic of the Philippines, in times of war, rebellion, insurrection, public peril, or disturbance of peace and order to take over and operate the said stations or to authorize the temporary use and operation thereof by any department 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. 5. The grantee shall be liable to pay the same taxes unless exempted therefrom, on its real estate, building, and personal property, exclusive of the franchise, as other persons or corporations 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 and the return shall be subject to audit by the Bureau of Internal Revenue.

SEC. 6. The grantee shall file a bond in the amount of Fifty thousand pesos (P50,000) to guarantee the faithful compliance and fulfillment of the conditions under which this franchise is granted. If after four (4) years from the date of acceptance of this franchise, the grantee shall have fulfilled said conditions or as soon thereafter, as the grantee shall have fulfilled the same, the bond aforesaid shall be cancelled by the National Telecommunications Commission.

SEC. 7. 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 and/or telecast may cut off from the air such speech, play, act, scene, or other matter being broadcast and/or telecast if the tendency thereof is to propose and/or incite treason, rebellion or the language used therein or the theme thereof is indecent or immoral.

SEC. 8. 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 other commercial or legal entity, nor merge with any other company or corporation organized for the same purpose without the approval of the Congress of the Philippines.

SEC. 9. Wherever in this Act the term "grantee" is used, it shall be held and understood to mean and represent the Andres Bonifacio College Broadcasting System, Inc., its representatives, successors, and assigns.

SEC. 10. 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. 11. This Act shall take effect upon its approval.

Lapsed into law on July 16, 1995 without the President's signature, pursuant to Sec. 27(1), Article VI of the Constitution.