

[REPUBLIC ACT NO. 7582, May 27, 1992]

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Internal Revenue Code pursuant to Section 2 of Executive Order No. 72 unless the latter enactment is amended or repealed, in which case the amendment or repeal shall be applicable thereto.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