

**[ REPUBLIC ACT NO. 7634, July 24, 1992 ]**

**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 shall 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