



Office of the President of the Philippines
MOVIE & TELEVISION REVIEW & CLASSIFICATION BOARD

MTRCB Building, No. 18 Timog Avenue, Quezon City
Tel. No.: (02) 376-7380 Fax No.: (02) 376-7379 Email: admin@mtrcb.gov.ph

MEMORANDUM CIRCULAR NO. 10-2015

TO : ALL CABLE TV OPERATORS AND OTHER LIMITED AUDIENCE DISTRIBUTORS

FROM : MTRCB CHAIRPERSON

SUBJECT : TIERED ANNUAL REGISTRATION FEE

DATE : 21 OCTOBER 2015

.....

WHEREAS, consistent with the Board’s mandate to promote and ensure the viability and development of the film and television industries as well as to promote and ensure an atmosphere of global competitiveness in said industries, the Board has found it timely to consider the plea of cable television operators and other limited audience distributors to revisit the schedule of fees pertaining to the annual registration of cable television operators and other limited audience distributors.

WHEREAS, further to a study commissioned by the MTRCB¹ in regard to the proposed tiered registration fee schedule for cable television operators and other limited audience distributors and its socio-economic impact on the stakeholders, a tiered registration fee system for the annual registration of cable television operators and other limited audience distributors according to the income classification of cities and municipalities where these cable television operators and other limited audience distributors operate is fair and justified for both the MTRCB and relevant industry stakeholders, most especially considering the normally limited resources available to cable operators in lower income geographical units to keep their operations viable as well as assure the general audience of sufficient alternatives in limited audience media and entertainment.

¹ The study entitled *A Study on a Proposed Schedule of MTRCB Tiered Registration Fees for Cable TV Networks and its Socio-Economic Impact on its Stakeholders* is made by Dr. Roberto de Vera, Ph.D. on 17 July 2015.

WHEREAS, consistent with Administrative Order No. 31,² Series of 2012, dated 01 October 2012 as well as its relevant implementing rules and regulations under DOF-DBM-NEDA Joint Circular No. 1-2013 dated 30 January 2013, the Board proposes to rationalize the system of fees and charges imposed by the Board on cable television operators and other limited audience distributors, taking into account the cost of regulation, socio-economic impact particularly to stakeholders, and the erstwhile infrequency of increase in such fees and charges notwithstanding the cost of regulation.

NOW, THEREFORE, pursuant to the MTRCB's power to supervise and regulate entities engaged in the distribution, exhibition and/or broadcast of television programs under § 3(d), P.D. No. 1986, and further to its authority to exercise such powers and functions as may be necessary or incidental to the fulfillment of its mandate under § 3(k), P.D. No. 1986, MTRCB hereby promulgates the following rules to rationalize the assessment of annual registration fees of all cable television operators and other limited audience distributors, as follows:

Section 1. Three-Tiered Classification -- For purposes of rationalizing their annual registration fee, all cable television operators and other limited audience distributors shall be classified into three tiers based on the income classification of the cities or municipalities where they operate. Cable television operators and other limited audience distributors operating in urbanized cities shall be assessed a higher registration fee than those operating in the lower income municipalities. The tiered classification of cable television operators and other limited audience distributors, based on the income classification of cities and municipalities by the Department of Finance, shall be as follows:

TIER 1	Cable television operators and other limited audience distributors operating in First to Fourth Class Cities
TIER 2	Cable television operators and other limited audience distributors operating in Fifth to Sixth Class Cities and First to Second Class Municipalities
TIER 3	Cable television operators and other limited audience distributors operating in Third to Sixth Class Municipalities.

² Administrative Order No. 31 is entitled *Directing and Authorizing All Heads of Departments, Bureaus, Commissions, Agencies, and Instrumentalities of the National Government, Including Government-Owned and Controlled Corporations (GOCCs), to Rationalize the Rates of their Fees and Charges, Increase their Existing Rates and Impose New Fees and Charges.*

Section 2. Tiered Registration Fee -- The annual registration fee of cable television operators and other limited audience distributors, shall be as follows:

- Tier 1** -- **Php9,000.00**
- Tier 2** -- **Php5,000.00**
- Tier 3** -- **Php4,000.00.**

The tiered registration fee schedule shall be implemented for all new registrants beginning the registration year 2016. However, for all renewal registrants, the new fee schedule shall take effect beginning registration year 2017 in order not to disrupt the budgeting schedule of cable television operators and other limited audience distributors who may not only have already earmarked and apportioned their registration budget for the registration year 2016, but may already have made an early registration for the registration year 2016.

Section 3. Schedule of Registration -- Cable television operators and other limited audience distributors shall be assessed the prescribed registration fee for every service area stated in the Provisional Authority (P.A.) or Certificate of Authority (C.A.) issued by the National Telecommunications Commission (NTC). Unless otherwise declared, the prescribed annual registration fee shall be computed based on the date of issuance of the P.A./C.A., as follows:

DATE OF P.A./C.A.	COMPUTATION OF REGISTRATION
January to March	100% of the prescribed registration fee
April to June	75% of the prescribed registration fee
July to September	50% of the prescribed registration fee
October to December	Registration will commence on the following year.

Should a cable television operator or other limited audience distributor engage in the distribution, exhibition and/or broadcast of television programs without the requisite P.A./C.A. issued by the NTC, the said operator or distributor shall be assessed one hundred percent (100%) of the prescribed registration fee, plus a surcharge equivalent to one hundred percent (100%) of the prescribed registration fee both reckoned from the date of actual operation.

Section 4. Renewal of Registration -- All cable television operators and other limited audience distributors shall renew their registration with the MTRCB every year, which shall be made not later than January 30 of every year. A surcharge equivalent to one hundred percent (100%) of the prescribed registration fee shall be assessed on those registering after the said date. No surcharge, however, shall be imposed for the year of issuance of the P.A./C.A.

Section 5. Legal Research Fund Fee-- The applicable registration fee prescribed under Section 2 hereof shall be subject to the collection of the required Legal Research Fund (LRF) fee in favor of the University of the Philippines (U.P) Law Center, equivalent to one (1%) percent of the prescribed fee, under MTRCB Memorandum Circular No. 06-2014 dated 26 May 2014.

Section 6. Repealing Clause -- The provisions of MTRCB Memorandum Circular No. 12-2013 dated 12 December 2013 on the prescribed annual registration fee for cable television operators, as well as of MTRCB Memorandum Circular No. 06-2012 dated 26 April 2012 on the Revised Registration Schedule, and any and all previous circulars, rules, regulations and guidelines of the MTRCB are hereby repealed, amended and/or modified accordingly insofar only as they may be inconsistent with this Circular.

Section 7. Sanctions -- Any violation of this Circular shall be dealt with appropriate administrative and criminal prosecution in accordance with the provisions of Section 11 of P.D. 1986 and Chapter XIII of its 2004 Revised Implementing Rules and Regulations.

Section 8. Effectivity -- This Circular shall take effect 01 January 2016, subject to prior publication in a newspaper of general circulation and filing with the Office of the National Administrative Register in the University of the Philippines Law Center, as required under the Administrative Code of 1987.

APPROVED, by the Movie and Television Review and Classification Board, in a meeting called for the purpose, on 21 October 2015 in Quezon City.

BY AUTHORITY OF THE BOARD:



EUGENIO H. VILLAREAL
Chairperson