

INCREASING THE FRANCHISE TAX OF THE PHILIPPINE LONG DISTANCE TELEPHONE COMPANY FROM ONE PER CENT TO TWO PER CENT.

PRESIDENTIAL DECREE NO. 1528, June 11, 1978

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/ff46deb39671/>

WHEREAS, under Act No. 3436, the Philippine Long Distance Telephone Company was granted a franchise for 50 years from November 28, 1928, to install, operate and maintain a telephone system throughout the Philippines, and the government imposed on it a franchise tax of 1% of all its gross receipts, but it shall still pay the same taxes on its real estate, buildings and personal property;

WHEREAS, on November 9, 1970, Republic Act No. 6146 was enacted extending the term of the franchise of the PLDT for 25 years from the date of its expiration;

WHEREAS, the average franchise tax for telephone corporations and power companies is 2%;

WHEREAS, it is the policy of the government to rationalize the taxes on private corporations;

WHEREAS, the Philippine Long Distance Telephone Company has committed itself to a massive service improvement and expansion program involving P4.6 billion through 1982 which is designed to:

- Install an additional 225,000 telephones.
- Introduce a total of 200,000 lines of electronic switching equipment. This is part of a modernization program which will also require the retirement of outmoded equipment.
- Introduce new systems into the present older type of equipment in order to ensure constant analysis of operations and ensure speedier corrective maintenance of faults.
- Introduce new subscriber services, electronic PABXs, and new types of subscriber equipment.
- Establish telephone service in 47 rural areas integrated into the PLDT nationwide system.
- Upgrade party line services and provide only main line services in electronic switching offices.
- Introduce subscriber metering service in electronic switching offices.
- Introduce Direct Distance Dialing for electronic switching subscribers and selected subscribers of step-by-step offices.
- Increase the capacity of the present Microwave backbone facility from 600 channels to 1200 channels and add to geographical coverage of the backbone to cover new areas.
- Expand the International and Domestic toll switching systems to meet demand forecasts.
- Provide the terrestrial link for all Domstat earth stations.
- Provide interconnection with 15 telephone companies and 100 toll stations.

- Provide automatic mobile telephone service.
- Replace outmoded toll facilities.
- Rehabilitate existing outside plant facilities to upgrade quality of service and provide adequate spare facilities for speedier restoration of service.

WHEREAS, the Philippine Long Distance Telephone Company should now pay double its original 1% franchise tax;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order:

SECTION 1. The provisions of existing law to the contrary notwithstanding, the Philippine Long Distance Telephone Company, its successors and assigns, shall pay a franchise tax at the rate of two per centum of all gross receipts of the telephone or other electrical transmission business transacted under its franchise, effective immediately upon the issuance of this Decree and up to the end of the twenty-five years extended term of its franchise under Republic Act No. 6146; Provided, That, except for the change in the rate of franchise tax herein prescribed, it shall be subject to the same terms and conditions as already provided for under existing laws.

SEC. 2. Any provisions of laws, decrees, orders, rules and regulations inconsistent herewith are hereby repealed or modified accordingly.

SEC. 3. This Decree shall take effect immediately.

Done in the City of Manila, this 11th day of June, in the year of Our Lord, nineteen hundred and seventy-eight.

(Sgd.) FERDINAND E. MARCOS
President of the Philippines

By the President:

(Sgd.) JACOBO C. CLAVE
Presidential Executive Assistant

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.