



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS
NATIONAL TELECOMMUNICATIONS COMMISSION

MEMORANDUM CIRCULAR

No. 04-10-2006

SUBJECT: SUBMISSION OF ANNUAL REPORTS

WHEREAS, pursuant to Section 17(h) of CA No. 146, as amended, all public service entities are mandated to submit to the National Telecommunications Commission (Commission) Annual Reports of finances and operations covering a period of 12 months ending December 31st of each calendar year;

WHEREAS, Memorandum Circular No. 79-05 of the Board of Communications provides that Annual Reports be submitted on or before March 1st of each year following the year of operation;

WHEREAS, records show that several public telecommunications entities (PTEs), broadcast companies (BCs) and cable television companies (CATVs) have failed to submit their respective Annual Reports on time and that some have failed to submit their respective Annual Reports for more than two (2) years;

WHEREAS, the late or non-submission of Annual Reports is causing difficulty in conducting studies of the operations of PTEs, BCs and CATVs;

WHEREAS, Financial Statements of companies are prepared by their external auditors just in time for the payment of Income Taxes on 15 April of each year;

WHEREAS, the Annual Reports are necessary for the preparation of the correct assessment of the Supervision and Regulations Fees (SRF) to be paid to the Commission not later than 30 September of each year pursuant to Section 40(e) of CA146, as amended;

NOW THEREFORE for and in consideration of the above premises the Commission hereby promulgates the following guidelines:

1. Annual Reports in the prescribed form/s shall be submitted to the Commission not later than 30 April of each year.
2. Any request for extension of the period of submission shall be granted on meritorious grounds and upon payment of extension fees as follows:
 - a. PhP6,000.00 for 30-day extension
 - b. PhP12,000.00 for 60-day extension
 - c. PhP18,000.00 for 90-day extension
3. Extension of the period of time to submit Annual Reports shall be granted for a period not longer than 90 days from 30 April of each year.

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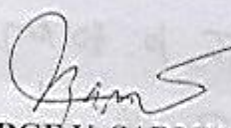
4. PTEs, BCs and CATVs not complying with any of the provisions of this Circular shall be penalized in accordance with Section 21 of CA146, as amended. In addition, the Commission shall withhold the processing of applications for certificates, permits and licenses of the erring PTEs, BCs and CATVs.

5. This circular amends or supersedes any Circular, Order and Memorandum or any part/s thereof inconsistent herewith.

6. This Circular shall take effect fifteen (15) days after its publication in a newspaper of general circulation and three (3) certified true copies furnished the UP Law Center.

Quezon City, Philippines, October 9, 2006.


RONALD OLIVAR SOLIS
Commissioner


JORGE V. SARMIENTO
Deputy Commissioner


JAIME M. FORTES, JR.
Deputy Commissioner

