
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2024, Part 5. (See end of Document for details)

SCHEDULES

SCHEDULE 2

FILMS, TELEVISION PROGRAMMES AND VIDEO GAMES

PART 5

COMMENCEMENT AND TRANSITIONAL PROVISION

General commencement

- 16 (1) No election under section 1179B(1) of CTA 2009 may be made in a company tax return for an accounting period ending before 1 January 2024.
- (2) The amendments made by Parts 3 and 4 of this Schedule have effect in relation to accounting periods beginning on or after 1 April 2027.

Closure of existing regimes to new productions

- 17 A company is not to be treated as carrying on a separate trade under Part 15, 15A or 15B of CTA 2009 if the trade would be treated under that Part as beginning on or after 1 April 2025.

Opting into new regime during transitional period

- 18 (1) If a company makes an election under section 1179B(1) of CTA 2009 in its company tax return for an accounting period beginning before 1 January 2024—
- (a) Part 14A of CTA 2009 applies further to that election only in respect of the portion of the accounting period that falls on or after that date, and
 - (b) the relevant existing regime applies in respect of the portion of the accounting period that falls before that date.
- (2) If a company makes an election under section 1179B(1) of CTA 2009 in its company tax return for an accounting period beginning on or after 1 January 2024, the relevant existing regime does not apply in relation to that accounting period or any subsequent accounting period, subject to sub-paragraphs (3) and (4).
- (3) If a company makes an election under section 1179B(1) of CTA 2009 in its company tax return for an accounting period beginning on or before but ending after the relevant closure date, it may further elect in the return for sub-paragraph (4) to apply.
- (4) If it does so—
- (a) Part 14A of CTA 2009 applies further to the election under section 1179B(1) of CTA 2009 only in respect of the portion of the accounting period that falls after the relevant closure date, and

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- (b) the relevant existing regime applies in respect of the portion of the accounting period that falls on or before that date.
- (5) Where, by virtue of this paragraph, different Parts of CTA 2009 apply in respect of different portions of an accounting period, the portions are to be treated as separate accounting periods for the purposes of—
- (a) those Parts, and
 - (b) paragraphs 19 to 24 (but not for other corporation tax purposes).
- (6) For the purposes of this paragraph—
- (a) the “relevant existing regime” means—
 - (i) Part 15 of CTA 2009, if the election under section 1179B(1) of that Act relates to a film;
 - (ii) Part 15A of CTA 2009, if the election under section 1179B(1) of that Act relates to a television programme;
 - (iii) Part 15B of CTA 2009, if the election under section 1179B(1) of that Act relates to a video game;
 - (b) references to the application of the relevant existing regime are to its application in relation to that film, television programme or video game;
 - (c) the “relevant closure date” is—
 - (i) 31 March 2025, in the case of a film or television programme whose principal photography has not begun, or a video game whose production has not begun, by the end of that date;
 - (ii) 31 March 2027, in any other case.
- (7) Nothing in this paragraph expands the circumstances in which the relevant existing regime can apply (except by making it apply in respect of a portion of an accounting period).

Productions not moving into new regime

- 19 (1) Sub-paragraphs (2) and (3) apply if, but for this paragraph, Part 15, 15A or 15B of CTA 2009 would apply to a company in relation to a film, television programme or video game in respect of an accounting period beginning on or before but ending after the relevant closure date.
- (2) The company is to be treated for the purposes of the Part in question as if, at the end of the relevant closure date, it—
- (a) ceased the separate trade that it is treated as carrying on under that Part, and
 - (b) abandoned its activities in relation to the film, television programme or video game.
- (3) No election under section 1179B(1) of CTA 2009 may be made in relation to the film, television programme or video game.
- (4) The date that is the relevant closure date for the purposes of paragraph 18 is also the relevant closure date for the purposes of this paragraph.

Continuity between regimes: taxation as separate trade

- 20 (1) Sub-paragraphs (2) to (5) apply if—

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- (a) a company is treated as carrying on a separate trade under Part 15, 15A or 15B of CTA 2009 in an accounting period (“AP1”),
 - (b) in the next accounting period (“AP2”), the company is treated as carrying on a separate trade under Part 14A of CTA 2009, and
 - (c) both trades relate to the same film, television programme or video game.
- (2) The separate trade that the company is treated as carrying on in AP2 is to be treated as a continuation of the separate trade that the company was treated as carrying on in AP1.
- (3) Accordingly, section 1179BA(2) of CTA 2009 does not apply.
- (4) If a new period of account does not begin when AP2 begins, a new period of account is to be treated as beginning at that time for the purposes of—
 - (a) section 1189, 1216BA or 1217BA of CTA 2009 (as it applies in relation to AP1), and
 - (b) section 1179BB of CTA 2009 (as it applies in relation to AP2).
- (5) For the purposes of section 1179BB(3) of CTA 2009 as it applies in relation to AP2, the references to the corresponding amounts for the previous period are to be read as references to the corresponding amounts brought into account under section 1189, 1216BA or 1217BA of that Act for AP1.

Continuity between regimes: calculation of expenditure credit

- 21 (1) Sub-paragraphs (3) and (4) apply if—
- (a) a company is entitled to audiovisual expenditure credit or video game expenditure credit under Chapter 3 of Part 14A of CTA 2009 for an accounting period, and
 - (b) in respect of an earlier accounting period, the company was entitled to, and claimed—
 - (i) film tax relief under Chapter 3 of Part 15 of CTA 2009,
 - (ii) television tax relief under Chapter 3 of Part 15A of that Act, or
 - (iii) video games tax relief under Chapter 3 of Part 15 of that Act, and
 - (c) both entitlements relate to the same film, television programme or video game.
- (2) In those sub-paragraphs, the earliest accounting period within sub-paragraph (1)(a) is “AP2” and the latest accounting period within sub-paragraph (1)(b) is “AP1”.
 - (3) For the purposes of step 1 in section 1179CA(1) of CTA 2009 as it applies in relation to AP2, the reference to relevant global expenditure includes the amount that was “qualifying expenditure incurred to date” for the purposes of section 1200(1) or (2), 1216CG(1) or (2) or 1217CG(1) or (2) of that Act in relation to AP1.
 - (4) For the purposes of step 4 in section 1179CA(1) of CTA 2009 as it applies in relation to AP2, the reference to the company’s qualifying expenditure to date in the accounting period for which it was last entitled to, and claimed, an expenditure credit is to be read as a reference to the amount taken as ‘E’ for the purposes of section 1200(1) or (2), 1216CG(1) or (2) or 1217CG(1) or (2) of that Act in relation to AP1.

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Continuity between regimes: British certification

- 22 (1) Regulations made before the passing of this Act under a provision of CTA 2009 specified in the first column of the following table—
- (a) have effect for the purposes of [Part 14A](#) of CTA 2009 as if made under the provision of that Part specified in the corresponding entry in the second column of the table, and
 - (b) are for those purposes to be read subject to any necessary modifications.

TABLE

Existing provision in Part 15A or 15B of CTA 2009	New provision in Part 14A of CTA 2009
Section 1216CB(2)	Section 1179DK(1)
Section 1216CC(7)	Section 1179DL(7)
Section 1217CB(2)	Section 1179FD(1)
Section 1217CC(7)	Section 1179FE(7)

- (2) A certificate issued under section 1216CD or 1217CD of CTA 2009 continues to have effect for the purposes of [Part 14A](#) of that Act as if it were a certificate issued under section [1179DM](#) or (as the case may be) [1179FF](#) in that Part.
- (3) In relation to such a certificate, the references to revocation or ceasing to be in force in sections 1216EA and 1217EA of CTA 2009 (as they continue to apply in relation to accounting periods beginning before 1 April 2027) include revocation or ceasing to be in force under section [1179DM](#) or (as the case may be) [1179FF](#) of that Act.
- (4) The repeal of Parts 15, 15A and 15B of CTA 2009 does not affect the requirement in section 1213(3), 1216EA(3) or 1217EA(3) of that Act so far as it relates to entitlements in accounting periods beginning before 1 April 2027 (even if the “completion period” begins on or after that date).
- (5) In sections 1216EA(3) and (5) and 1217EA(3) and (5) of CTA 2009 (as they continue to apply in relation to accounting periods beginning before 1 April 2027), the references to a final certificate include reference to a final certificate issued under section [1179DM](#) or (as the case may be) [1179FF](#) of that Act.

Continuity between regimes: UK expenditure (films and television programmes)

- 23 The repeal of Parts 15 and 15A of CTA 2009 does not affect the requirement in section 1214(3) or 1216EB(3) of that Act, so far as it relates to entitlements in accounting periods beginning before 1 April 2027 (even if the “completion period” begins on or after that date).

Transition of video games from European expenditure condition to UK expenditure condition

- 24 (1) Sub-paragraphs (3) and (4) apply if—
- (a) a company makes an election under section [1179B\(1\)](#) in relation to a video game in its company tax return for an accounting period (“the opt-in period”),
 - (b) no earlier accounting period was the completion period, and

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- (c) in an earlier accounting period, the company was entitled to, and claimed, special video games relief in respect of that video game.
- (2) In this paragraph, “special video games relief” and “completion period” have the meanings given by section 1217E(1) of CTA 2009.
- (3) Subsections (3) and (4) of section 1217EB of CTA 2009 apply as if the video game had been completed at the end of the accounting period preceding the opt-in period (and, accordingly, as if that period were the completion period).
- (4) In section 1179FH of CTA 2009 as it applies in relation to the video game, the references to core expenditure are to be read as limited to core expenditure incurred in or after the opt-in period.

Transfer of terminal losses between productions in existing and new regimes

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- (1) In section 1179BG(1)(a) of CTA 2009, the reference to the separate production trade is to be read as including reference to a separate trade carried on under Part 15, 15A or 15B of CTA 2009.
 - (2) Section 1179BG(1)(d) of CTA 2009 is to be taken as satisfied where—
 - (a) the ceased trade was carried on under Part 15 or 15A of CTA 2009 and the other trade relates to a film or television programme, or
 - (b) the ceased trade was carried on under Part 15B of CTA 2009 and the other trade relates to a video game.
 - (3) Paragraphs (a) and (b) of section 1211(1) of CTA 2009 are to be taken as satisfied where a company ceases to carry on a separate production trade under Part 14A of CTA 2009 in relation to a film (and that company and that trade are respectively “company A” and “trade X” in the resulting application of section 1211).
 - (4) Paragraphs (a) and (b) of section 1216DC(1) of CTA 2009 are to be taken as satisfied where a company ceases to carry on a separate production trade under Part 14A of CTA 2009 in relation to a television programme (and that company and that trade are respectively “company A” and “trade X” in the resulting application of section 1216DC).
 - (5) Paragraphs (a) and (b) of section 1217DC(1) of CTA 2009 are to be taken as satisfied where a company ceases to carry on a separate production trade under Part 14A of CTA 2009 in relation to a video game (and that company and that trade are respectively “company A” and “trade X” in the resulting application of section 1217DC).

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