

*Status: Point in time view as at 01/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 2006, Part 2. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 5

#### FILM TAX RELIEF: FURTHER PROVISIONS

##### PART 2

###### CERTIFICATION OF BRITISH FILMS FOR PURPOSES OF FILM TAX RELIEF

- 15 For section 6 of the Films Act 1985 (c. 21) (certification of master negatives, tapes and discs for purposes of section 72 of FA 1982) substitute—

###### “6 Certification of British films

Schedule 1 to this Act has effect with respect to the certification by the Secretary of State of a film as a British film for the purposes of film tax relief.”.

- 16 For the heading to Schedule 1 to that Act substitute “ Certification of British films for purposes of film tax relief”.
- 17 For paragraph 1 of that Schedule substitute—

###### *“Preliminary*

- 1 (1) In this Schedule—
- “film” includes any record, however made, of a sequence of visual images that is capable of being used as a means of showing that sequence as a moving picture;
- “film production company” has the same meaning as in Chapter 3 of Part 3 of the Finance Act 2006 (see section 32 of that Act).
- (2) For the purposes of this Schedule each part of a series of films is treated as a separate film, unless—
- (a) the films form a series with not more than 26 parts,
- (b) the combined playing time is not more than 26 hours, and
- (c) the series constitutes a self-contained work or is a series of documentaries with a common theme,
- in which case the films are treated as a single film.
- (3) References in this Schedule to a film include the film soundtrack.
- (4) For the purposes of this Schedule a film is completed when it is first in a form in which it can reasonably be regarded as ready for copies of it to be made and distributed for presentation to the general public.”.
- 18 For paragraph 2 of that Schedule substitute—

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*“Applications for certification*

- 2 (1) The film production company may apply to the Secretary of State for the certification of a film as a British film.
- (2) The application may be for an interim or final certificate.
- (3) An interim certificate is a certificate granted before the film is completed that the film, if completed in accordance with the proposals set out in the application, will be a British film.
- (4) A final certificate is a certificate granted after the film is completed that the film is a British film.
- (5) The applicant must—
- (a) produce to the Secretary of State such books or other documents relating to the application, and
  - (b) provide the Secretary of State with such other information with respect to it,
- as the Secretary of State may require for the purposes of determining the application.
- (6) The Secretary of State may require information provided for the purposes of the application to be accompanied by a statutory declaration, by the person providing it, as to the truth of the information.”

19 For paragraph 3 of that Schedule substitute—

*“Certification and withdrawal of certification*

- 3 (1) If the Secretary of State is satisfied that the requirements are met for interim or final certification of a film as a British film, he shall certify the film accordingly.
- (2) If the Secretary of State is not satisfied that those requirements are met, he shall refuse the application.
- (3) An interim certificate—
- (a) may be given subject to conditions, and (unless the Secretary of State directs otherwise) is of no effect if the conditions are not met;
  - (b) may be expressed to expire after a specified period, and (unless the Secretary of State directs otherwise) ceases to have effect at the end of that period; and
  - (c) ceases to have effect when a final certificate is issued.
- (4) If it appears to the Secretary of State that a film certified by him under this Schedule ought not to have been certified, he shall revoke its certification.

Unless the Secretary of State directs otherwise, a certificate that is revoked is treated as never having had effect.”

20 In paragraph 4 of that Schedule (British films for purposes of the Schedule), for sub-paragraphs (1) to (3) substitute—

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“(1) A film is a British film for the purposes of this Schedule if it passes the relevant cultural test (see paragraph 4A, 4B or 4C).”

21 (1) Paragraph 5 of that Schedule (excluded films) is amended as follows.

(2) For sub-paragraph (1) substitute—

“(1) A film must not be certified as a British film for the purposes of this Schedule if parts of the film whose playing time exceeds 10% of the total playing time of the film are derived from a previous film, unless—

- (a) the two films have the same film production company or producer, and
- (b) the previous film has not been certified under this Schedule.”

(3) After sub-paragraph (2) insert—

“(3) For the purposes of this paragraph—

- (a) the film soundtrack shall be left out of account;
- (b) “producer” means the person by whom the arrangements necessary for the making of the film are undertaken;
- (c) in relation to certification before the commencement of Chapter 3 of Part 3 of the Finance Act 2006, references to certification of a film shall be read as references to certification of the master negative, tape or disc of the film.”

22 In paragraph 9 of that Schedule (determination of disputes) for the words from “any decision of the Secretary of State” to “may” substitute “ any decision of the Secretary of State under paragraph 3 may ”.

23 In paragraph 10 of that Schedule (regulations and orders)—

- (a) in sub-paragraph (1)(c), for “2(4)” substitute “ 2(6); ”
- (b) in sub-paragraph (2), for “4 to 8” substitute “ 4 to 5 ”.

### *Confidentiality of information*

<sup>F1</sup>24 .....

#### **Textual Amendments**

**F1** Sch. 5 para. 24 repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), Sch. 1 para. 694(b), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

### *Wrongful disclosure*

<sup>F2</sup>25 .....

#### **Textual Amendments**

**F2** Sch. 5 para. 25 repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), Sch. 1 para. 694(b), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

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