STATUTORY INSTRUMENTS

1968 No. 1077

CINEMATOGRAPHS AND CINEMATOGRAPH FILMS

BRITISH FILMS (FINANCE)

The Cinematograph Films (Collection of Levy) Regulations 1968

Laid before Parliament in draft

Made - - - - *8th July* 1968

Coming into Operation

Regulation 3(2)(*b*)(ii) - *6th October* 1968

Remainder - - *14th July* 1968

Whereas a draft of these Regulations has been laid before Parliament and approved by Resolution of each House pursuant to section 2(7) of the Cinematograph Films Act 1957(a), as amended and extended by the Films Act 1966(b), (hereinafter referred to as "the Act"):

Now, therefore, the Board of Trade in pursuance of the powers conferred upon them by section 2 of the Act, and after consultation with the Cinematograph Films Council, hereby make the following Regulations:—

Persons to whom the Regulations apply

1. These Regulations shall apply to every person who is, on the 14th July 1968, carrying on the business of exhibiting to the public cinematograph films of a width exceeding 16 millimetres or who thereafter commences to carry on such a business.

Payment of Levy

2. Every person to whom these Regulations apply shall, in respect of each levy period, that is to say, the period of 12 weeks commencing on 14th July 1968 and of each of the following two consecutive periods of 52 weeks in which at any time he carries on such a business, pay to the Commissioners of Customs and Excise an amount computed in accordance with the provisions of Regulation 3 hereof.

Computation of Levy

3.—(1) Subject to the provisions of this Regulation, the levy shall be computed by reference to the payments received by the person liable to pay the levy for admission to entertainments taking place during any levy period

(a) 1957 c. 21. (b) 1966 c. 48.

at any cinema and, in respect of each such payment, at the rate of one-ninth of the amount by which the total amount of that payment exceeds 1s. 6d.

(2) In computing the amount of the levy the following payments shall be left out of account, that is to say—

(*a*) any payment for admission to an entertainment which falls within a description contained in the Schedule hereto;

(*b*) payments for admission to a cinema during any week in which films are exhibited to the public if—

(i) the total of such payments after deducting payments for admission to charitable, educational and children's entertainments; or

(ii) the average at the end of that week of such totals for the relevant levy period

does not exceed £400.

(3) Where the total of the payments for admission during a week to entertainments at a cinema after deducting payments for admission to charitable, educational and children's entertainments exceeds £400 but one-quarter of the excess is less than an amount computed by reference to all payments for admission to entertainments in accordance with the preceding provisions of this Regulation, the levy payable by reference to those payments shall be a sum equal to one-quarter of the excess.

Time for Payment

4. Each amount of levy shall be paid within 10 days after the end of each consecutive period of 4 weeks in respect of which it is payable:

Provided that, where at the end of any such period a claim that an entertainment falls within a description contained in the Schedule to these Regulations is under consideration by the Commissioners of Customs and Excise, the amount of the levy shall be paid within 10 days after the date on which the decision of the Commissioners on that claim is notified to the claimant.

Revocation

5. The Cinematograph Films (Collection of Levy) Regulations 1960(**a**), the Cinematograph Films (Collection of Levy) (Amendment) Regulations 1960(**b**), the Cinematograph Films (Collection of Levy) (Amendment No. 2) Regulations 1962(**c**), the Cinematograph Films (Collection of Levy) (Amendment No. 3) Regulations 1963(**d**) and the Cinematograph Films (Collection of Levy) (Amendment No. 5) Regulations 1967(**e**) are hereby revoked.

Interpretation

6.—(1) In these Regulations—

"entertainment" means an entertainment at which films are exhibited to the public;

"week" means a period of 7 days ending at the end of a Saturday;

"cinema" has the same meaning as in the Films Act 1960(**f**);

"charitable entertainments" and "educational entertainments" mean entertainments falling within a description of charitable entertainments and educational entertainments respectively in the Schedule to these Regulations;

(**a**) S.I. 1960/726 (1960 I, p. 555).
(**b**) S.I. 1960/1185 (1960 I, p. 558).
(**c**) S.I. 1962/2544 (1962 III, p. 3406).
(**d**) S.I. 1963/1375 (1963 II, p. 2372).
(**e**) S.I. 1967/889 (1967 II, p. 2648).
(**f**) 1960 c. 57.

"children's entertainments" means entertainments at a cinema in respect of which consent has been given by the licensing authority under the provisions of section 4 of the Cinematograph Act 1952(a), being entertainments organised wholly or mainly for children outside the normal hours of that cinema.

(2) The Interpretation Act 1889(b) shall apply to the interpretation of these Regulations as it applies to the interpretation of an Act of Parliament and as if these Regulations and the Regulations hereby revoked were Acts of Parliament.

7. These Regulations may be cited as the Cinematograph Films (Collection of Levy) Regulations 1968 and shall come into operation as respects Regulation 3(2)(*b*)(ii) on 6th October 1968 and as respects the remaining Regulations on 14th July 1968.

Gwyneth Dunwoody,
Parliamentary Secretary to
the Board of Trade.

8th July 1968.

(a) 1952 c. 68.

(b) 1889 c. 63.

Regulations 3(2)(*a*), 4 and 6(1) **SCHEDULE**

Exemptions from Levy

PART I

Descriptions of Entertainments

Educational Entertainments

1. An entertainment which is wholly educational.

2. An entertainment which is provided by a non-profit making body established and conducted for partly educational purposes.

Charitable Entertainments

3. An entertainment which is provided by a non-profit making body of a permanent character established and conducted wholly for charitable purposes consisting in the provision of entertainments.

4. An entertainment the net takings of which are wholly devoted to philanthropic or charitable purposes and either—

(*a*) the expenses do not amount to more than one-half of the gross takings; or

(*b*) the entertainment is provided—

(i) by a body of a permanent character established and conducted wholly or partly for philanthropic or charitable purposes and not regularly engaged in providing entertainments by way of business; or

(ii) by a miners' welfare institute established and conducted for the purpose of social welfare activities within the meaning of the Miners' Welfare Act 1952;

and the expenses added to an amount equal to the levy which would have been payable apart from this provision are less than the gross takings by at least one-twentieth of the latter.

For the purposes of this paragraph "expenses" means the expenses incurred in connection with the entertainment by the person providing it, whether in respect of the production of the entertainment or any other matter (but not including the levy which is in question or any sums required under section 1 of the Sunday Entertainments Act 1932, to be paid to any person for the purpose of being applied to charitable objects nor any part of the expenses so incurred which is met otherwise than out of the gross takings): "gross takings" means the sums received by that person in connection with the entertainment, whether payments for admission, for programmes, refreshments or the like, for rights of reproduction or for any other matter (but not including any donation made towards defraying the costs of the entertainment): and "net takings" means the gross takings so far as not used to meet expenses.

Indoor Entertainments in rural Areas

5. Any entertainment which is given in a borough, urban district or rural parish within the meaning of the Local Government Act 1933 (or, in Scotland, a small burgh within the meaning of the Local Government (Scotland) Act 1947, landward parish or landward part of a parish partly landward and partly burghal) with a population of not more than three thousand or (if it is more than three thousand) not more than six hundred and forty to the square mile, except—

(*a*) entertainments given elsewhere than in a building attached to permanent foundations; and

(*b*) entertainments at which seating accommodation is provided for more than four hundred people.

For the purposes of this paragraph, the population of any area shall be taken according to the last published census as it would be taken for the purposes of the said Acts of 1933 or 1947, as the case may be, unless since the date of that census there has been a movement of population into or out of the area on such a scale as substantially to alter the character of the area as a whole.

PART II

Supplementary Provisions

6. For the purposes of this Schedule, "non-profit making body" means a body of persons (whether incorporated or not) which is not established or conducted for profit.

7. Where a description contained in this Schedule includes a condition relating to the person providing the entertainment, an entertainment which is provided by two or more persons in combination, shall be deemed not to fall within that description unless the condition is satisfied in relation to each of those persons.

8. Except, as otherwise provided, an entertainment shall be deemed not to fall within a description contained in this Schedule, unless, before the entertainment is given, it is shown to the satisfaction of the Commissioners of Customs and Excise that the entertainment falls within such a description but where a claim that an entertainment falls within such a description is allowed after the entertainment is given, effect shall be given to it by repayment of levy.

9. A claim that an entertainment falls within a description contained in this Schedule may be allowed after the entertainment is given in any case where the Commissioners of Customs and Excise are satisfied that there is sufficient reason for the delay in making or establishing the claim.

10. A claim that an entertainment falls within the description contained in paragraph 4 of this Schedule may be made either before or after the entertainment is given; and where the claim is made beforehand, the Commissioners of Customs and Excise may allow the claim if in their opinion the entertainment will fall within the description according to the probable amounts of the gross takings and expenses, or may postpone a decision on the claim until those amounts are ascertained.

11. If on a claim that an entertainment falls within the description contained in paragraph 1 of this Schedule there is any dispute as to whether the entertainment is wholly educational, that question shall be decided by the Secretary of State for Education and Science or, in the case of entertainments in Scotland, by the Secretary of State for Scotland.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations consolidate and amend the Cinematograph Films (Collection of Levy) Regulations 1960 (as amended). They amend the Regulations by—

(1) raising from 11d. to 1s. 6d. the portion of the payment for admission which is not liable to levy thus making the standard rate of levy one-ninth of the amount by which each payment for admission exceeds 1s. 6d.;

(2) increasing from 5 to 10 days the period within which levy shall be paid;

(3) giving relief to exhibitors whose box office takings vary extensively by providing exemption from payment of levy unless both the takings in respect of any week and the average takings during the preceding portion of the levy period exceed £400.