STATUTORY INSTRUMENTS

# 1968 No. 1076

# CINEMATOGRAPHS AND CINEMATOGRAPH FILMS
## BRITISH FILMS (FINANCE)
## The Cinematograph Films (Distribution of Levy) (Amendment No. 3) Regulations 1968

*Laid before Parliament in draft*

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| *Made* - - - - - | 8*th July* 1968 |
| *Coming into Operation* | |
| *Regulation* 1(3) - - | 14*th July* 1968 |
| *Remainder* - - - | 6*th October* 1968 |

Whereas a draft of these Regulations has been laid before Parliament and approved by Resolution of each House pursuant to section 3(4) 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 3 of the Act, and after consultation with the Cinematograph Films Council, hereby make the following Regulations:—

**1.** The Cinematograph Films (Distribution of Levy) Regulations 1963(c), as amended (d), shall have effect as if:—

(1) in Regulation 6(1)(*b*) for the word "twice" there were substituted the words "two and a half times";

(2) in the proviso to Regulation 6(1)(*c*) for the figures "£15,000" there were substituted the words "the prescribed amount" and at the end of the proviso there were added the words "and for the purposes of this proviso the prescribed amount shall be £15,000 in the case of a film registered before 6th October 1968, and £18,750 in any other case.";

(3) for Regulation 6(3)(*b*) there were substituted the following:—

"(*b*) in the case of any other eligible film the amount due to a renter under a contract for the hire of a film shall be disregarded in computing the earnings of that film if it is exhibited to the public in pursuance of that contract within any year after the expiry of the period of 4 years commencing with the year next following that during which the first exhibition to the public of that film took place, unless upon an application made by the renter not later than the end of the year to which it relates, the Board of Trade, after consulting the Cinematograph Films Council, and considering its advice in the matter, direct that such amount shall be taken into account in computing those earnings.";

(a) 1957 c. 21. (b) 1966 c. 48. (c) S.I. 1963/1376 (1963 II, p. 2373).
(d) There is no amendment which relates expressly to the subject matter of these Regulations.

(4) in Regulation 13 (1) (iii) after "(*f*)" there were added the following:—

"(*g*) a standard film which is disqualified from registration as a quota film by virtue of section 20(3) of the Films Act 1960(a) and, unless the Cinematograph Films Council otherwise recommends, any other film which, if a standard film, would be so disqualified";

(5) in Regulation 13(1), for the definition of "low cost film", there were substituted the following:—

" 'low cost film' means a long film the labour costs of which do not exceed £20,000 in the case of a film registered before 6th October 1968, and £25,000 in any other case;";

(6) in Regulation 13(1), for the definition of television film there were substituted the following:—

" 'television film' means a film—

(*a*) in respect of which an agreement or arrangement is in existence at the date of registration of the film under Part II of the Films Act 1960 for the exhibition of the film to the public on television inside the United Kingdom;

or

(*b*) which is exhibited to the public on television inside the United Kingdom before the expiry of 12 months from the said date of registration of the film or, where the film forms part of a serial film or series of films, from the said date of registration of the last film forming part of the serial film or series of films.".

**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.

**3.** These Regulations may be cited as the Cinematograph Films (Distribution of Levy) (Amendment No. 3) Regulations 1968 and shall come into operation as respects Regulation 1(3) on 14th July 1968 and as respects the remaining Regulations on 6th October 1968.

*Gwyneth Dunwoody*,
Parliamentary Secretary to the
Board of Trade.

8th July 1968.

(a) 1960 c. 57. (b) 1889 c. 63.

## EXPLANATORY NOTE

*(This Note is not part of the Regulations.)*

These Regulations further amend the Cinematograph Films (Distribution of Levy) Regulations 1963 ("the principal Regulations").

The principal amendments are:—

(1) the rate of payment for newsreels is now two and a half times the rate for high cost films instead of, as hitherto, twice that rate;

(2) the definition of "low cost film" now includes films the labour costs of which do not exceed £25,000, instead of, as hitherto, £20,000; and the maximum earnings on which levy is payable in respect of such films at two and a half times the standard rate is now increased from £15,000 to £18,750 (these alterations do not apply to films registered before 6th October 1968);

(3) the provision limiting the period during which the earnings of non-quota films count for distribution of levy (Regulation 6(3)(*b*) of the principal Regulations) has been redrafted to bring it into line with the corresponding provision for quota films (Regulation 6(3)(*a*));

(4) standard films which are disqualified from registration as quota films because they contain too high a proportion of derivative material (see section 20(3) of the Films Act 1960) and any other films which, if they were standard films, would be so disqualified, are no longer eligible for levy.