STATUTORY INSTRUMENTS

2015 No. 1449

CORPORATION TAX

The Cultural Test (Television Programmes) (Amendment) Regulations 2015

Made - - - -	*29th June 2015*
Laid before the House of Commons - - - -	*1st July 2015*
Coming into force - -	*23rd July 2015*

The Secretary of State, in exercise of the powers conferred by sections 1216CB(2) and 1216CC(7) of the Corporation Tax Act 2009(**1**), makes the following Regulations.

Regulations 2, 4, 5 and 7 are made with the approval of the Treasury in accordance with section 1216CB(2) of that Act.

Citation and commencement

1. These Regulations may be cited as the Cultural Test (Television Programmes) (Amendment) Regulations 2015 and come into force on 23rd July 2015.

Application

2.—(1) These Regulations have effect in relation to any television programme(**2**) other than an excepted programme.

(2) A television programme is an excepted programme if—

(a) an application for certification of the programme was made before the commencement day, or

(b) the television production company(**3**) has made an election in relation to the programme under paragraph (3).

(3) A television production company may make an election under this regulation in relation to a television programme if—

(**1**) 2009 c. 4. Part 15A of the Act, which contains sections 1216CB and 1216CC(7), was inserted by Schedule 16 to the Finance Act 2013 (c. 29). That Part was further amended by section 33 of the Finance Act 2014 (c. 26) and by sections 30 and 31 of the Finance Act 2015 (c. 3).

(**2**) "Television programme" is defined in section 1216AA of the Corporation Tax Act 2009.

(**3**) "Television production company" is defined in section 1216AE of the Corporation Tax Act 2009.

(a) the first day of principal photography (in relation to dramas(**4**)) or shooting (in relation to documentaries or animations) was before the commencement day, and

(b) no application for certification of the programme was made before the commencement day.

(4) In this regulation—

"application for certification" means an application for an interim or final certificate under section 1216CC of the Corporation Tax Act 2009, and

"commencement day" means 23rd July 2015.

Interpretation

3. In these Regulations "the 2013 Regulations" means the Cultural Test (Television Programmes) Regulations 2013(**5**).

Amendments to Part 1 of the 2013 Regulations

4.—(1) Part 1 of the 2013 Regulations is amended as follows.

(2) In regulation 2 (interpretation)—

(a) in paragraph (1)—

(i) in the definition of "participant", after "in a documentary" insert "or a children's programme";

(ii) in the definition of "programme", for "or an animation" substitute ", an animation or a children's programme";

(b) in sub-paragraph (2)(c), after "lead modelling supervisor" insert—

"and;

(d) in relation to a children's programme, lead cinematographer, lead production designer, lead costume designer, lead editor, lead sound designer, lead visual effects supervisor, lead hair and makeup supervisor and lead researcher".

Amendments to Part 2 of the 2013 Regulations

5.—(1) Part 2 of the 2013 Regulations is amended as follows.

(2) In regulation 3 (Cultural test: dramas and documentaries)—

(a) in sub-paragraph (2)(a), for "16 points" substitute "18 points";

(b) in paragraph (4)—

(i) for "16 points" substitute "18 points";

(ii) in sub-paragraph (d)—

(aa) for "4 points" substitute "6 points" (in both places);

(bb) for "the English language or a recognised regional or minority language" substitute "a language recognised for official purposes in the United Kingdom or another EEA state"; and

(cc) for "3 points" substitute "4 points";

(c) in paragraph (5), for "British culture" substitute—

(**4**) "Drama" is defined in section 1216AC(2) of the Corporation Tax Act 2009.
(**5**) S.I. 2013/1831.

"one or more of the following—

(a) British creativity;

(b) British heritage; or

(c) diversity";

(d) for paragraph (6), substitute—

"(6) Up to 5 points will be awarded in respect of work carried out in the making of the drama or documentary as follows—

(a) 4 points if at least 80% of the work carried out on any of the following is carried out in the United Kingdom (unless points are awarded under sub-paragraphs (b) or (c) below, in which case nil)—

(i) in relation to a drama—

(aa) principal photography;

(bb) visual effects;

(cc) special effects;

(ii) in relation to a documentary—

(aa) shooting;

(bb) visual effects;

(cc) research and development;

(dd) special effects;

(b) 2 points if at least 50% of the work carried out on any of the following is carried out in the United Kingdom—

(i) in relation to a drama—

(aa) principal photography;

(bb) special effects;

(ii) in relation to a documentary—

(aa) shooting;

(bb) research and development;

(cc) special effects;

(c) 2 points if at least 50% of the work carried out on visual effects is carried out in the United Kingdom;

(d) 1 point if at least 50% of the work carried out on any of the following is carried out in the United Kingdom—

(i) performing and recording the music score created for the drama or documentary;

(ii) audio post production;

(iii) picture post production.".

(3) After regulation 4 (Cultural test: animation), insert—

"**Cultural test: children's programme**

4A.—(1) A children's programme(**6**) will be certified by the Secretary of State as a British programme under section 1216CB(1) of the Act only if it passes the following cultural test.

(2) A children's programme passes the cultural test if it meets either of the following conditions—

(a) subject to paragraph (3), it is awarded at least 18 points in total under paragraphs (4) to (7); or

(b) it is a qualifying co-production(**7**) made in accordance with an international agreement specified in Schedule 1.

(3) A children's programme that is awarded all the points available under paragraphs (4)(d) (language), (6) (where work carried out) and (7) (personnel) will not pass the cultural test unless it is awarded—

(a) at least 2 points under paragraph (4)(a) (setting);

(b) at least 2 points under paragraph (4)(b) (characters); or

(c) 4 points under paragraph (4)(c) (story).

(4) Up to 18 points will be awarded in respect of the content of the children's programme as follows—

(a) up to 4 points depending on the percentage of the children's programme that is set in the United Kingdom or another EEA state as follows—

(i) 4 points for at least 75%;

(ii) 3 points for at least 66%;

(iii) 2 points for at least 50%;

(iv) 1 point for at least 25%;

(b) up to 4 points depending on the number of the characters or participants in the children's programme that are from the United Kingdom or another EEA state as follows—

(i) if there are more than three characters or participants in the children's programme—

(aa) if two or three of the three lead characters or participants are from the United Kingdom or another EEA state, 4 points;

(bb) if only one of the three lead characters or participants is from the United Kingdom or another EEA state, 2 points if that character or participant is the first or second lead, or 1 point if that character or participant is the third lead;

(ii) if there are only three characters or participants in the children's programme—

(aa) if two or three of the characters or participants are from the United Kingdom or another EEA state, 4 points;

(bb) if only one of the characters or participants is from the United Kingdom or another EEA state, 2 points if that character or participant is the first or second lead, or 1 point if that character or participant is the third lead;

(iii) if there are only two characters or participants in the children's programme—

(**6**) "Children's programme" is defined in section 1216AC(2A) of the Corporation Tax Act 2009.
(**7**) "Qualifying co-production" is defined in section 1216AI(a) of the Corporation Tax Act 2009.