



Films Act 1985

1985 CHAPTER 21

An Act to repeal the Films Acts 1960 to 1980; to make further provision with respect to the financing of films; and for connected purposes. [23rd May 1985]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Repeal of Films Acts 1960 to 1980 and abolition of Cinematograph Films Council

- (1) The Films Acts 1960 to 1980 are hereby repealed.
- (2) The Cinematograph Films Council (which is constituted in accordance with Schedule 1 to the Films Act 1960) shall accordingly cease to exist.
- (3) Where anything purporting to have been done by or in relation to that Council was done before the passing of this Act at a time when the Council was constituted otherwise than as required by law it shall be treated as not having been rendered invalid by reason of the Council's having been so constituted.

2 Provisions relating to termination of levy on film exhibitors

- (1) In this section—
 - " the 1981 Act" means the Film Levy Finance Act 1981;
 - "the final levy period" means the period which began on 14th October 1984 and in respect of which a levy is imposed in accordance with regulations having effect as if made under section 2 of the 1981 Act (levy on film exhibitors), and "the levy regulations" means those regulations; and
 - " the final distribution period " means the period which began on 14th October 1984 and in respect of which payments are required to be made by the British Film Fund Agency in accordance with regulations made under

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section 6 of the 1981 Act (payments to makers of British films) and " the distribution regulations" means those regulations.

- (2) In relation to the final levy period section 2(3) of the 1981 Act (minimum and maximum amounts to be yielded by way of levy in respect of each levy period) shall have effect as if for " neither less than £2 million nor more than £12 million " there were substituted " not more than £12 million ".
- (3) In relation to that period section 4 of that Act (payments out of levy to National Film Finance Corporation) shall have effect as if—
 - (a) in subsection (1) for the words from " falling wholly " onwards there were substituted " such proportion (not exceeding in amount £1-5 million) of the amount received by the Agency in respect of that period as proceeds of the levy as the Secretary of State may determine. " ; and
 - (b) subsection (2) were omitted.
- (4) If the Secretary of State by order so provides, both the final levy period and the final distribution period shall, instead of ending with 12th October 1985 as provided by the levy regulations and the distribution regulations respectively, end with such earlier date as may be specified in the order; and accordingly, in that case—
 - (a) any reference to the final levy period in the levy regulations, in section 4 of the 1981 Act or in this section shall be construed as a reference to that period as modified by virtue of this subsection ;
 - (b) any reference to the final distribution period in the distribution regulations or in section 4 of this Act shall be construed as a reference to that period as so modified ; and
 - (c) any reference to 12th October 1985 in the distribution regulations shall be construed as a reference to the date specified in the order.
- (5) The Secretary of State may by order repeal the 1981 Act as from a date specified in the order.
- (6) Any order under this section shall be made by statutory instrument.

3 Dissolution of National Film Finance Corporation

- (1) The power of the Secretary of State under paragraph 8 of Schedule 1 to the National Film Finance Corporation Act 1981 to make, with the approval of the Treasury, an order dissolving the National Film Finance Corporation in the circumstances mentioned in sub-paragraph (1) of that paragraph shall include power to make, with the like approval, an order dissolving the Corporation at any time after the relevant date and before the end of 1985.

In this subsection " the relevant date " means 12th October 1985 or such earlier date as may be specified in an order under section 2(4) of this Act.

- (2) Where in consequence of an order under the said paragraph 8 (whether made by virtue of subsection (1) or not)—
 - (a) any property or right of the Corporation becomes vested in the Secretary of State ; or
 - (b) any amount is received by the Secretary of State in respect of any such property or right,

the Secretary of State shall deal with that property, right or amount in such manner as he thinks fit for any purpose connected with the British film industry.

- (3) Without prejudice to the generality of subsection (2), the Secretary of State may, in pursuance of that subsection—
- (a) pay any amount received by him as there mentioned to the British Film Fund Agency for distribution in accordance with section 4(1);
 - (b) arrange for the transfer in accordance with subsection (4) of any right to which that subsection applies.
- (4) The Secretary of State may, in the case of any right to which this subsection applies, arrange for the right to be transferred, on such conditions as he thinks fit, to any British company or partnership in whose case he is satisfied as to the following matters, namely—
- (a) that the company or partnership will use its best endeavours to encourage the production of relevant films on a commercially successful basis ; and
 - (b) that it is willing and able to make financial facilities available to persons who wish to arrange for the production of relevant films;
- and, subject to any such conditions, the company or partnership may dispose of the right (whether wholly or to any lesser extent) and retain any sums accruing therefrom.
- (5) Subsection (4) applies to—
- (a) any copyright or share of a copyright or any licence granted under a copyright;
 - (b) any right in, or relating to the exploitation of, a film and not within paragraph (a).
- (6) Where in consequence of any such order as is mentioned in subsection (2) any liability of the Corporation becomes vested in the Secretary of State, the Secretary of State may arrange for the liability to be transferred, on such terms as may be agreed between him and the company or partnership, to any British company or partnership in whose case he is satisfied as to the matters mentioned in paragraphs (a) and (b) of subsection (4).
- (7) In this section—
- " British company " means a company incorporated under the laws of Great Britain, being a company—
- (i) over which a Commonwealth citizen has control, or two or more Commonwealth citizens are together in a position to exercise control, or
 - (ii) over which a company which is a British company by virtue of the preceding provisions of this definition has control, or two or more such companies or such a company and a Commonwealth citizen are together in a position to exercise control;
- " British partnership " means a limited partnership formed in accordance with the Limited Partnerships Act 1907 in which the general partner within the meaning of that Act, or (as the case may be) each of the general partners, is a British company ;
- " control ", in relation to a company, means the power of a person or combination of persons to secure—
- (i) by means of the holding of shares or the possession of voting power in or in relation to that company or any other body corporate, or
 - (ii) by virtue of any powers conferred by the articles of association or other document regulating that company or any other body corporate,
- that the affairs of the company are conducted in accordance with the wishes of that person or those persons ;

" relevant film " means a film which is intended to satisfy (whether wholly or to a substantial extent) the conditions that must be satisfied under Schedule 1 to this Act for a film to be a British film for the purposes of that Schedule.

- (8) Paragraph 8(4) of Schedule 1 to the National Film Finance Corporation Act 1981 (payments into Consolidated Fund, or out of money provided by Parliament, in connection with dissolution of Corporation) shall cease to have effect; and the Secretary of State may by order made by statutory instrument repeal the remaining provisions of that Act as from a date specified in the order.

4 Final payments by British Film Fund Agency

- (1) Where the British Film Fund Agency receive any amount from the Secretary of State in accordance with section 3(3), that amount shall be added to the moneys available for distribution by the Agency under the distribution regulations in respect of the final distribution period.
- (2) With the consent of the Secretary of State payments under the distribution regulations in respect of the final distribution period may be made by the Agency after the date by which they would otherwise have been required to be made by virtue of the regulations.
- (3) Where
- (a) any claim made under the distribution regulations or any corresponding earlier regulations has been accepted by the Agency and they have allocated an amount for the payment of that claim ; but
 - (b) owing to any lack of information relating to the claimant, or owing to any other circumstances outside their control, they have been unable to secure the payment to the claimant of that amount,
- they shall take such steps as they consider appropriate for the purpose of facilitating the securing of that result.
- (4) Where the Agency take such steps as are mentioned in subsection (3) with respect to any claim but are nevertheless unable to secure the payment to the claimant of the amount in question before the relevant date, the Agency shall on that date discount the claim for the purposes of the distribution regulations, and the amount in question shall—
- (a) in the case of a claim in respect of a period other than the final distribution period, be added to the moneys available for distribution by the Agency under the distribution regulations in respect of the final distribution period;
 - (b) in the case of a claim in respect of the final distribution period, be paid to the Secretary of State to be dealt with by him as if it were an amount received by him as mentioned in section 3 (2) (b).
- (5) In subsection (4) " the relevant date ", in relation to a claim falling within paragraph (a) or (b) of that subsection, means such date as may be fixed by the Secretary of State for the purposes of that paragraph ; and that date may—
- (a) in the case of paragraph (a), be earlier than the date by which payments in respect of the period immediately preceding the final distribution period are required to be made by virtue of the distribution regulations;
 - (b) in the case of paragraph (b), be earlier than the date by which payments in respect of the final distribution period are so required to be made.

- (6) In this section " the distribution regulations " and " the final distribution period " have the meaning given by section 2(1) (but subject to section 2(4) (b)).

5 Financial assistance by Secretary of State in connection with the production of films

- (1) The Secretary of State with the consent of the Treasury may, at any time after the National Film Finance Corporation have been dissolved by any such order as is mentioned in section 3(2), give financial assistance—
- (a) to any British company or partnership, being a company or partnership in whose case he is satisfied as to the matters mentioned in paragraphs (a) and (b) of section 3(4), for any purpose connected with the production of relevant films;
 - (b) to any person—
 - (i) for the purpose of enabling projects to be prepared, or other preliminary work to be undertaken or steps taken, with a view to the production of relevant films; or
 - (ii) for any purpose connected with the production of short films.

In this subsection " British company ", " British partnership " and " relevant film " have the meaning given by section 3(7), and " short film " means a relevant film with a total playing time of less than 35 minutes.

- (2) Assistance under subsection (1) may be given by way of a grant or loan or in the form of a guarantee or otherwise; and in giving assistance under that subsection the Secretary of State may impose such conditions as he thinks fit, including conditions requiring a grant to be repaid in specified circumstances.
- (3) The Secretary of State may appoint a person to make recommendations and provide other services in connection with the discharge by the Secretary of State of his functions under subsection (1)(b).
- (4) Any sums required by the Secretary of State for making payments under subsection (1), or for meeting any expenses of any person appointed under subsection (3), shall be paid out of money provided by Parliament; and any sums received by the Secretary of State by virtue of this section shall be paid into the Consolidated Fund.

6 Certification of master negatives, tapes and discs for purposes of section 72 of Finance Act 1982

- (1) Schedule 1 to this Act shall have effect with respect to the certification by the Secretary of State of a master negative, tape or disc of a film as a qualifying film, tape or disc for the purposes of section 72 of the Finance Act 1982 (expenditure on production and acquisition of films etc.).
- (2) Accordingly, in that section—
- (a) in subsection (7) (cases where expenditure in relation to films is still to be regarded as capital expenditure), for " for the purposes of this section as a qualifying film, tape or disc " there shall be substituted " under Schedule 1 to the Films Act 1985 as a qualifying film, tape or disc for the purposes of this section " ; and

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- (b) subsection (8) (certification by reference to eligibility of film in question for purposes of payments under section 6 of the Film Levy Finance Act 1981) shall cease to have effect.

7 Repeals, etc.

- (1) The enactments mentioned in Schedule 2 to this Act are repealed to the extent specified in the third column of that Schedule.
- (2) Section 13 of the Copyright Act 1956 (copyright in cinematograph films) shall be amended as follows—
- (a) in subsection (3)—
- (i) for paragraph (a) there shall be substituted—
- “(a) in the case of any film which was registered under a former enactment relating to the registration of films, shall continue until the end of the period of fifty years from the end of the calendar year in which it was so registered ;”;
- (ii) in paragraph (b), for " a film which is not so registrable " there shall be substituted " any other film " ;
- (iii) at the end of the subsection there shall be inserted—
- “In this subsection " former enactment relating to the registration of films " means Part II of the Films Act 1960 or Part III of the Cinematograph Films Act 1938.”; and
- (iv) the proviso shall be omitted ;
- (b) in subsection (8), for the words from " any such film " to " newsreels)", there shall be substituted " any film consisting wholly or mainly of photographs which, at the time when they were taken, were means of communicating news, " ; and
- (c) subsection (11) shall be omitted.
- (3) Notwithstanding the repeal by this Act of the Films Act 1960 the register kept under Part II of that Act shall continue to be kept by the Secretary of State in connection with the determination, for the purposes of any statutory provision, of questions relating to the registration of films under Part II of the Films Act 1960 or Part III of the Cinematograph Films Act 1938.
- (4) Where any film would, but for the repeal by this Act of the Films Act 1960 and the Films Act 1970, be—
- (a) a British film for the purposes of the Film Levy Finance Act 1981 by virtue of section 9(2) of that Act (interpretation) ; or
- (b) an eligible film for the purposes of regulations made under section 6 of that Act,
- that film shall be a British film, or (as the case may be) an eligible film, for those purposes notwithstanding the repeal of the said Acts of 1960 and 1970.
- (5) In subsection (7) (b) of section 72 of the Finance Act 1982, as amended by section 6 of this Act, the reference to a film, tape or disc which is certified by the Secretary of State under Schedule 1 to this Act as a qualifying film, tape or disc for the purposes of section 72 shall include a reference to a film, tape or disc which was certified by the Secretary of State as aforesaid in pursuance of subsection (7) (b) as originally enacted.

- (6) Where—
- (a) a contract for the production or acquisition of a master negative, master tape or master disc of a film has been entered into before the commencement of section 6 of this Act; and
 - (b) any person, having incurred expenditure in pursuance of the contract (before or after that commencement) on the production or acquisition of the negative, tape or disc, makes an application under paragraph 2 of Schedule 1 to this Act with respect to it,

that person may by notice in writing require that the question whether the negative, tape or disc ought to be certified as a qualifying film, tape or disc for the purposes of section 72 of the Finance Act 1982 shall be determined by the Secretary of State in accordance with the law in force immediately before the commencement of section 6 in like manner as if his application had been a request for certification made under section 72(8).

Any expression used in this subsection has the same meaning as it has in paragraph 2(1) of Schedule 1 to this Act.

- (7) The Secretary of State may by order made by statutory instrument provide for such further transitional and saving provisions to have effect in connection with the coming into operation of any provision of this Act as appear to him to be necessary or expedient.

8 Short title, commencement and extent

- (1) This Act may be cited as the Films Act 1985.
- (2) The following provisions of this Act shall come into force at the end of the period of two months beginning with the day on which it is passed, namely—
- (a) section 6 and Schedule 1 ;
 - (b) section 7(1) and Schedule 2 so far as relating to the Finance Act 1982 and the Finance Act 1984 ;
 - (c) section 7(5) and (6).
- (3) The following provisions of this Act extend to Northern Ireland, namely—
- (a) section 3(8);
 - (b) section 6 and Schedule 1;
 - (c) section 7 and Schedule 2 ;
 - (d) this section.

SCHEDULES

SCHEDULE 1

Sections 3, 5 and 6.

CERTIFICATION FOR PURPOSES OF SECTION 72 OF FINANCE ACT 1982 IN CASE OF BRITISH FILMS

Preliminary

1 (1) In this Schedule—

"Commonwealth country" means the United Kingdom, any country for the time being specified in Schedule 3 to the British Nationality Act 1981 (countries whose citizens are Commonwealth citizens), and any territory for whose international relations Her Majesty's Government in the United Kingdom is responsible;

"film" includes any record, however made, of a sequence of visual images, which is a record capable of being used as a means of showing that sequence as a moving picture;

"maker", in relation to a film, means the person by whom the arrangements necessary for the making of the film are undertaken;

"master disc", in relation to a film, means the original master film disc or the original master audio disc of the film ;

"master negative", in relation to a film, means the original master negative of the film and its soundtrack (if any) ;

"master tape", in relation to a film, means the original master film tape or the original master audio tape of the film ;

"sound recording" means a sound recording which is either an original recording or a re-recording ;

"studio" (except in paragraph 5(1)(b)) means a building or group of buildings constructed or adapted for the purpose of making films therein and includes any land occupied with such a building or group of buildings.

(2) For the purposes of this Schedule a studio shall be deemed to be used for making a film if any part of that film, or of any other film used in making it, consists of photographs taken or sound recordings made in that studio.

(3) Subject to sub-paragraph (4), each part of a series of films shall be treated as a separate film for the purposes of this Schedule.

(4) Where—

(a) any series of films consists of a number of parts (not exceeding sixteen) whose combined playing time does not exceed eight hours ; and

(b) those parts, when shown consecutively in the sequence intended, constitute in the opinion of the Secretary of State a self-contained work,

the Secretary of State may, if he thinks fit, direct that those parts, taken together, are to be treated as constituting a single film for the purposes of this Schedule.

- (5) Any reference in this Schedule to a master negative, tape or disc certified under paragraph 3(1) or to a certificate issued under that provision includes a reference to a master negative, tape or disc certified in pursuance of section 72(7)(b) of the Finance Act 1982 as originally enacted or to a certificate issued in pursuance of that provision.

Applications for certification of master negatives, tapes and discs

- 2 (1) An application for the certification by the Secretary of State of a master negative, master tape or master disc of a film as a qualifying film, qualifying tape or qualifying disc for the purposes of section 72 of the Finance Act 1982 may be made by any person who has incurred expenditure on the production or acquisition of that negative, tape, or disc.
- (2) In sub-paragraph (1) the reference to the acquisition of a master negative, tape or disc includes a reference to the acquisition of any description of rights in it.
- (3) On an application under this paragraph for the certification of a master negative, tape or disc the applicant shall—
- (a) produce to the Secretary of State such books and other documents relating to it; and
 - (b) furnish to the Secretary of State such other information with respect to it, as the Secretary of State may require for the purpose of determining the application.
- (4) Any information furnished for the purposes of sub-paragraph (3) shall, if the Secretary of State so directs, be accompanied by a statutory declaration as to the truth of the information made by the person furnishing it.

Certification by Secretary of State of master negatives, tapes and discs

- 3 (1) If the Secretary of State is satisfied that a master negative, tape or disc with respect to which an application is made under paragraph 2 is a master negative, tape or disc of a film which, in his opinion, is a British film for the purposes of this Schedule, he shall certify that negative, tape or disc as a qualifying film, qualifying tape or qualifying disc for the purposes of section 72 of the Finance Act 1982.
- (2) If the Secretary of State is for any reason not satisfied as mentioned in sub-paragraph (1) he shall refuse the application.
- (3) If it appears to the Secretary of State that any negative, tape or disc certified by him under sub-paragraph (1) ought for any reason not to have been so certified he shall revoke its certification.
- (4) Where an application is made under paragraph 2 in relation to a negative, tape or disc of a film which has already been certified by the Secretary of State under sub-paragraph (1) on a prior application, the Secretary of State may issue the applicant with a duplicate or copy of the certificate issued on that prior application.

British films for purposes of the Schedule

- 4 (1) Subject to paragraph 5, a film is a British film for the purposes of this Schedule if all the requirements specified in sub-paragraph (2) are satisfied with respect to it.
- (2) Those requirements are—

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- (a) that the maker of the film was, throughout the time during which the film was being made, either—
 - (i) a person ordinarily resident in a member State, or
 - (ii) a company registered in a member State, being a company the central management and control of whose business was throughout the said time exercised in a member State;
 - (b) that the studio (if any) used in making the film was in a Commonwealth country or the Republic of Ireland ; and
 - (c) that not less than the requisite amount of labour costs (as determined under paragraph 7) represents payments paid or payable in respect of the labour or services of Commonwealth citizens or citizens of any member State or persons ordinarily resident in a Commonwealth country or a member State.
- (3) For the purpose of determining whether the requirements specified in sub-paragraph (2) are satisfied with respect to any film, any other film used for making photographs depicted as part of any scene in the first-mentioned film shall be treated as part of that film.
- (4) Subject to paragraph 5(4), if on an application under paragraph 2 in relation to a negative, tape or disc of any film the applicant requests the Secretary of State to do so, the Secretary of State shall, for the purpose of determining whether the film is a British film for the purposes of this Schedule, treat the film as if such portions of it as may be designated by the applicant did not form part of it; but the playing time of the portions so designated must not exceed 7 1/2 per cent, of the total playing time of the film.
- (5) Her Majesty may by Order in Council provide for films which are made in accordance with the terms of any agreement between Her Majesty's Government in the United Kingdom and any other government or any international organisation or authority, and which would not, apart from such an Order, be British films for the purposes of this Schedule, to be treated as British films for those purposes.

Excluded films

- 5 (1) A film is not a British film for the purposes of this Schedule by virtue of paragraph 4(1)—
- (a) if parts of the film are derived, as regards the photographs comprised in it, from—
 - (i) any film of which the master negative, tape or disc has already been certified under paragraph 3(1), or
 - (ii) any film the maker of which was not the maker of the first-mentioned film,
 and the playing time of those parts exceeds 10 per cent, of the total playing time of the film ; or
 - (b) if the playing time of so much of the film as consists of photographs taken or sound recordings made in any studio outside the United Kingdom exceeds 7 1/2 per cent, of the total playing time of the film ; or
 - (c) (subject to sub-paragraph (3)) if the playing time of so much of the film as consists of photographs taken or sound recordings made outside the United Kingdom exceeds 20 per cent of the total playing time of the film.
- (2) In sub-paragraph (1)(b) " studio "—

- (a) in relation to photographs, means any building or group of buildings constructed or adapted wholly or mainly for the purpose of taking photographs therein ;
 - (b) in relation to sound recordings, means any building or group of buildings constructed or adapted wholly or mainly for the purpose of making sound recordings therein.
- (3) Sub-paragraph (1)(c) shall not apply to a film if—
- (a) the preparation for the making of the film was so far as practicable carried out in the United Kingdom ; and
 - (b) the normal laboratory processing work incidental to the making of the film was carried out in the United Kingdom ; and
 - (c) at least 50 per cent, (in terms of value) of the technical equipment used in the making of the film was provided from sources in the United Kingdom.
- (4) In determining the playing time of a film for the purposes of sub-paragraph (1)(c) any portions of the film designated in accordance with paragraph 4(4) shall nevertheless be treated as forming part of the film.

Ascertainment of labour costs and playing time

- 6 (1) For the purposes of this Schedule the labour costs of a film shall be taken to be, subject to paragraph 8, the total amount of the payments paid or payable in respect of the labour or services of persons directly engaged in the making of the film, in so far as those payments are attributable to the making of that film, but shall not be taken to include payments in respect of copyright unless it is copyright in a work created for the purpose of its use in the film.
- (2) For the purposes of sub-paragraph (1)—
- (a) the author of the scenario of a film shall be deemed to be a person directly engaged in the making of the film ;
 - (b) a person shall not be taken to be directly engaged in the making of a film by reason only—
 - (i) that he is financially interested in the making of the film or is engaged in a clerical capacity as a servant of an undertaking concerned with the making of the film; or
 - (ii) that he supplies goods used in the making of the film or is in the employment of a person who supplies such goods ;
 - (c) payments paid or payable to a person who is engaged in an administrative capacity as an officer or servant of an undertaking concerned with the making of a film shall not be taken to be attributable to the making of the film except in so far as they are payments in respect of services directly concerned with the making of that film.
- (3) Subject to paragraph 5(4), in determining the playing time of a film for the purposes of this Schedule any portions of the film designated in accordance with paragraph 4(4) shall be treated as not forming part of the film.

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Determination of requisite amount of labour costs

- 7 (1) For the purposes of paragraph 4(2)(c) the requisite amount of the labour costs of a film shall be taken to be (subject to sub-paragraph (3) of this paragraph) whichever is the lesser of the two amounts specified in sub-paragraph (2) of this paragraph.
- (2) The amounts referred to in sub-paragraph (1) are—
- (a) the amount arrived at by applying the fraction three-quarters to the total labour costs of the film, after deducting from those costs, if the applicant on an application under paragraph 2 so desires, the amount of any payment which, as part of those costs, has been paid or is payable in respect of the labour or services of any one person who was not, while engaged in the making of the film—
 - (i) a Commonwealth citizen or a citizen of a member State, nor
 - (ii) a person ordinarily resident in a Commonwealth country or a member State; and
 - (b) the amount arrived at by applying the fraction four-fifths to the total labour costs of the film, after deducting from those costs the amount of any payments which, as part of those costs, have been paid or are payable in respect of the labour or services of any two persons neither of whom was, while engaged in the making of the film, such a citizen or person as is referred to in paragraph (a)(i) or (ii), and at least one of whom was so engaged in the capacity of an actor or actress and in no other capacity.
- (3) If on an application under paragraph 2 in relation to a negative, tape or disc of a film with respect to which the requirement specified in paragraph 4(2)(c) is not fulfilled the Secretary of State is satisfied that the maker of the film took all reasonable steps to fulfil that requirement, and that its non-fulfilment was due to exceptional circumstances beyond his control, the Secretary of State, if he thinks fit, may direct that sub-paragraph (2) of this paragraph shall have effect in relation to that film as if for " three-quarters " and " four-fifths " there were substituted " seven-tenths " and " three-quarters " respectively.

Power of Secretary of State to direct alteration of labour costs

- 8 Where it is material, in connection with an application under paragraph 2 in relation to a negative, tape or disc of a film, to ascertain the labour costs of the film or the proportion of those costs which represents payments in respect of the labour or services of persons of any particular class, then—
- (a) if it appears to the Secretary of State that any sum which, as part of those costs, is paid or payable in respect of the labour or services of any particular person is so- great as not to be a bona fide payment by way of remuneration for the said labour or services, the Secretary of State may direct that that sum, or part of that sum, shall be disregarded in ascertaining the said labour costs or the said proportion thereof, as the case may be ; and
 - (b) if it appears to the Secretary of State that no sum or a sum so small as not bona fide to represent all the remuneration therefor is paid or payable as part of those costs in respect of the labour or services of any particular person, the Secretary of State may direct that such sum, or (as the case may be) such greater sum, as may be specified in the direction shall be treated as so paid or payable.

Determination of disputes

- 9 (1) Any person who is aggrieved by any decision of the Secretary of State to refuse an application under paragraph 2 or to revoke any certification under paragraph 3(1) may, subject to rules of court, apply to the High Court, and the decision of that Court shall be final.
- (2) In relation to any person whose principal place of business is in Scotland, sub-paragraph (1) shall have effect as if for any reference to the High Court there were substituted a reference to the Court of Session.

Regulations and orders

- 10 (1) The Secretary of State may make regulations—
- (a) prescribing the form of applications under paragraph 2 ;
 - (b) prescribing the particulars and evidence necessary for satisfying the Secretary of State that a film is a British film for the purposes of this Schedule ;
 - (c) providing that any statutory declaration which is required by paragraph 2(4) to be made by any person shall be deemed to be properly made if it is made on his behalf by any such person as may be specified in the regulations.
- (2) The Secretary of State with the approval of the Treasury may by order make such modifications of any of the provisions of paragraphs 1 and 4 to 8 as he considers appropriate; and any such order may contain such incidental, supplemental and transitional provisions as he considers appropriate in connection with the order.
- (3) In sub-paragraph (2) " modifications " includes additions, omissions and alterations.
- (4) Any regulations or order under this paragraph shall be made by statutory instrument.
- (5) Any regulations under this paragraph shall be laid before Parliament after being made ; but no order shall be made under this paragraph unless it has been laid before Parliament and approved by a resolution of each House.

SCHEDULE 2

Section 7(1).

REPEALS

Chapter	Short Title	Extent of Repeal
1956 c. 74.	The Copyright Act 1956.	In section 13, in subsection (3) the proviso, and subsection (11).
1960 c. 57.	The Films Act 1960.	The whole Act.
1964 c. 52.	The Films Act 1964.	The whole Act.
1966 c. 29.	The Singapore Act 1966.	In the Schedule, paragraph 13.
1966 c. 48.	The Films Act 1966.	The whole Act.
1970 c. 26.	The Films Act 1970.	The whole Act.

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1972 c. 68.	The European Communities Act 1972.	Section 8.
1973 c. 49.	The Bangladesh Act 1973.	In the Schedule, paragraph 9.
1975 c. 25.	The Northern Ireland Assembly Disqualification Act 1975.	In Part III of Schedule 1, the entry relating to the Cinematograph Films Council.
1975 c. 71.	The Employment Protection Act 1975.	In Part IV of Schedule 16, paragraph 8.
1979 c. 9.	The Films Act 1979.	The whole Act.
1980 c. 41.	The Films Act 1980.	The whole Act.
1981 c. 15.	The National Film Finance Corporation Act 1981.	In Schedule 1, paragraph 8(4).
1982 c. 39.	The Finance Act 1982.	In section 72, in subsection (2)(a) the words from " (except " to " requires) ", and subsection (8).
1984 c. 43.	The Finance Act 1984.	Section 62(6).