

## SCHEDULES

### SCHEDULE 1

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

##### *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.