

*Status: This is the original version (as it was originally enacted).*

## SCHEDULES

### SCHEDULE 16

#### BROADCASTING: ADDITIONAL PAYMENTS BY PROGRAMME CONTRACTORS

##### PART I

##### AMENDMENTS OF THE PRINCIPAL SECTIONS

- 1 (1) Section 32 of the Broadcasting Act 1981 (rental payments by programme contractors) shall be amended as follows.
  - (2) In subsection (1)(b), after the word “amounts” there shall be inserted the words “in respect of profits and in respect of advertising revenue”.
  - (3) In subsection (2)(b), after the word “amounts” there shall be inserted the words “in respect of profits”.
  - (4) In subsection (4), for the word “Table”, where it first occurs, there shall be substituted the word “Tables” and the following Tables shall be substituted for the Table in that subsection—

##### “TABLE A

##### RATES OF ADDITIONAL PAYMENTS IN RESPECT OF ADVERTISING REVENUE

	<i>Rate for determining amount of additional payments</i>
For so much of the advertising revenue for the accounting period as does not exceed the free slice for advertising revenue.	Nil
For so much of the advertising revenue for the accounting period as exceeds the free slice for advertising revenue.	The relevant revenue rate except where the rate is nil

For the purposes of this Table—

- (a) a nil rate, instead of the relevant revenue rate, is applicable in the case of persons who are DBS programme contractors or DBS teletext contractors;
- (b) the relevant revenue rate is 10 per cent; and
- (c) the free slice for advertising revenue is £15 million or, in the case of a TV programme contractor, that amount with the addition of the payments payable by him in pursuance of section 13(2).

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TABLE B

RATES OF ADDITIONAL PAYMENTS IN RESPECT OF PROFITS

	<i>Rate for determining amount of additional payments</i>
For so much of the profits for the accounting period after deducting any amount payable under Table A as does not exceed the free slice for profits.	Nil
For so much of the profits for the accounting period after deducting any amount payable under Table A as exceeds the free slice for profits.	The relevant profits rate except where the rate is nil.”
For the purposes of this Table—	
(a) a nil rate, instead of the relevant profits rate, is applicable in the case of—	
(i) programme contractors who provide local sound broadcasts, and	
(ii) DBS programme contractors or DBS teletext contractors;	
(b) the relevant profits rate is 25 per cent; and	
(c) the free slice for profits is £2 million.	

(5) Subsection (4A) shall be omitted.

(6) In subsection (5), for the words “relevant sum mentioned in subsection (4A)” there shall be substituted the words “relevant sum mentioned in the Tables above”.

(7) In subsection (7), after the words “additional payments” there shall be inserted the words “in respect of profits”.

(8) In subsection (8), for the words “any of the provisions of subsections (4), (4A)” there shall be substituted the words “any of the provisions of subsections (4)”.

(9) For subsection (9) there shall be substituted the following subsections—

“(9) The power of the Secretary of State under subsection (8) shall include power to amend the provisions in question as there mentioned—

- (a) only in their application in relation to the additional payments mentioned in subsection (1)(b); or
- (b) only in their application in relation to the additional payments mentioned in subsection (2)(b); or
- (c) differently in their application as mentioned in paragraphs (a) and (b) respectively; or
- (d) only in their application in relation to additional payments in respect of advertising revenue; or
- (e) only in their application in relation to additional payments in respect of profits; or
- (f) differently in their application as mentioned in paragraphs (d) and (e) respectively.

(9A) In the application of the provisions mentioned in subsection (8) in relation to the additional payments mentioned in subsection (1)(b), the power of the Secretary of State under subsection (8) shall also include power to amend those provisions as mentioned in subsection (8)—

- (a) only in relation to persons who are TV programme contractors (including persons who are both TV programme contractors and teletext contractors); or
  - (b) only in relation to persons who are DBS programme contractors (including persons who are both DBS programme contractors and teletext contractors); or
  - (c) only in relation to persons who are teletext contractors (other than DBS teletext contractors) but are not TV or DBS programme contractors; or
  - (d) only in relation to persons who are DBS teletext contractors but are not TV or DBS programme contractors; or
  - (e) differently in relation to persons within paragraphs (a), (b), (c) and (d) respectively.”
- 2 (1) Section 33 of the Broadcasting Act 1981 (supplemental provisions) shall be amended as follows.
- (2) In subsection (1), for the words “advertising receipts” there shall be substituted the words “advertising revenue”.
- (3) In subsection (2), for the words “advertising receipts” there shall be substituted the words “advertising revenue” and for the words “those receipts derive” there shall be substituted the words “the revenue derives”.
- (4) In subsection (3)(c), for the words “advertising receipts” there shall be substituted the words “advertising revenue” and for the word “derive” there shall be substituted the word “derives”.
- 3 (1) Section 34 of the Broadcasting Act 1981 (instalments payable on account by programme contractors for their accounting periods) shall be amended as follows.
- (2) In subsection (3)(c), for the words “receipts are” there shall be substituted the words “revenue is”.
- 4 (1) Section 35 of the Broadcasting Act 1981 (provision for supplementing additional payments) shall be amended as follows.
- (2) In subsection (1)—
- (a) in paragraph (a), after the words “additional payments” there shall be inserted the words “in respect of profits”;
  - (b) in paragraph (b)(ii), the words “in the case of second category profits,” shall be omitted; and
  - (c) at the end, there shall be added the words “in respect of profits of his for that period”.