An Bille Comhdhlúite Cánacha (Cearta Taibheoirí agus Oibrithe Scannán) (Leasú), 2025

Taxes Consolidation (Rights of Performers and Film Workers) (Amendment) Bill 2025

Meabhrán Míniúcháin

Explanatory Memorandum

AN BILLE COMHDHLÚITE CÁNACHA (CEARTA TAIBHEOIRÍ AGUS OIBRITHE SCANNÁN) (LEASÚ), 2025

TAXES CONSOLIDATION (RIGHTS OF PERFORMERS AND FILM WORKERS) (AMENDMENT) BILL 2025

EXPLANATORY MEMORANDUM

Background

Section 481 of the Taxes Consolidation Act, 1997 is a vital measure for the film industry in this State, as it provides film relief as a credit against corporation tax for producer companies.

In order to qualify for film relief, the producer company must apply to the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media in advance of commencing of the film for a “cultural certificate”. When issuing a cultural certificate, the Minister must have regard to the following considerations set out in paragraph 2(b), as amended by the Finance Acts 2004 and 2018: eligible categories of films, the expected contribution of the film-to-film industry development and to Irish culture, the timing of production commencement, and whether a regional uplift may apply.

A report on Section 481 by the Budgetary Oversight Committee in 2023 called for the so-called “industry development test” to include an “assurance… that Irish performers will not be subject to lesser terms and conditions regarding their intellectual property rights than international performers in similar roles when employed on the same project receiving Section 481 funding”.

The Committee also recommended that “compliance with the Copyright and Related Rights Act 2000, as well as the EU Copyright Directive should be a specified requirement in order to avail of the Section 481 credit”, and sought to examine the use of 'buy-out' contracts as a standard practice as it represents a breach of the rights of performers and artists under the EU copyright directive by forcing them to sign away their right to future residual payments before getting work.

A petition by Irish Equity to address these issues, which is supported by British Equity, the International Federation of Actors (FIA) and US trade union SAG/AFRA, has been signed by actors, Cillian Murphy, Ruth Negga, Colin Farrell, Siobhán McSweeney, David Morrissey, Jonathan Frakes, Jeri Ryan and Adrian Dunbar, among many more.

Purpose of Bill

The purpose of this Bill is to give effect to the Budgetary Oversight Committee’s recommendations and amend the Taxes Consolidation Act, 1997, to ensure the certificate required for Section 481 tax relief is only issued to qualifying companies which afford equal terms to Irish performers, comply with copyright legislation, and do not engage in the practice of so-called ‘buy-out’ contracts.

Provisions of Bill

Section 1 is the standard provision clarifying that the Act being amended is the Taxes Consolidation Act, 1997.

Section 2 amends section 481 of the Taxes Consolidation Act, 1997 to add three new conditions to the existing four matters which a Minister must have regard to when issuing a cultural certificate, requiring qualifying companies to afford equal terms to Irish performers, comply with copyright legislation, and not to engage in the practice of so-called ‘buy-out’ contracts.

Section 3 is the standard provision dealing with the short title, collective citation and commencement.

Aengus Ó Snodaigh, TD,
Meitheamh, 2025.