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A Chathaoirligh agus baill an Choiste, go raibh maith agaibh as an cuireadh chun teacht in bhur láthair inniu, chun an Creidmheas Cánach i leith Scannán agus Teilifís faoi Alt 481 a phlé.

Screen Producers Ireland (SPI) is a national representative organisation of independent film, television, animation and digital production companies. With over 170 company members, SPI is recognised as the voice of independent audio-visual (AV) production in Ireland.

SPI members are creative entrepreneurs who produce globally celebrated film, animation and TV, creating high-value all-island and regionally spread employment, fostering Ireland's culture on screen along with preserving Ireland's artistic heritage. SPI comprises a range of production companies, from emerging producers to producers of large-scale high-end film and TV series, working in both the Irish and English language.

We are happy to be before this Committee again. We were last here in 2019 to discuss S481 and we had a positive engagement at the meeting.

We note in the invitation the request that only matters directly related to the S481 tax expenditure that are under the remit of this Committee are to be discussed; so we have kept our opening to this area.

We hope that our statement and subsequent discussion will inform the Committee of the vital role that S481 plays in the sustainability of Irish Screen Sector, both for incoming and indigenous productions.

At the outset of the meeting, I must welcome the Budget 2023 announcement that Section 481 has been extended to 2028, something which SPI was calling for in our pre budget discussions.

Section 481 is one of the most crucial incentive schemes for independent producers in Ireland, which provides much-needed tax relief for eligible productions. This extension provides much-needed clarity for independent producers seeking to undertake long-term production planning.

The Government has shown us today, through the extension of S481 to 2028, that it realises the potential of international and indigenous production here in Ireland. I know that our producer members, crew and casts will create the world-class, award-winning content that we have the ability to do.

However, we are disappointed that there was no extension of the regional uplift, which proved very valuable in bringing productions out of Dublin / Wicklow hub. The uplift has seen considerable production activity across the country from Kerry to Donegal and SPI will continue to advocate for it to return, in some form.

On Budget Day, the Department of Finance also released a new cost benefit analysis of S481 which showed the growth in the sector, in both employment and economic size, since the CBA in 2019.

The Department Analysis notes that: *“Supporting the development of a thriving Irish audio-visual sector remains an objective of the Government. By providing tax relief to Irish producer companies in respect of qualifying films the scheme directly contributes to the growth of a creative screen production industry in the State.”*

The department also pointed that it is important that we begin to capture the cultural dividend of S481 projects, beyond economics alone. We were glad to see that Screen Ireland will be releasing a cultural dividend report in S481 in the coming weeks which we believe will show a significant impact.

SPI believes that with this clear statement of support from the Government, our sector can reach the targets set out in the Government AV Action Plan which seeks to:

- double employment in film, TV and animation
- double the economic worth of the sector

The Creative Ireland AV Action Plan also sets out the role of Section 481 in contributing to the development and sustainability of the Irish screen industry, supporting jobs in the domestic economy, a strategic cultural industry and the tourism sector in Ireland.

And this can be seen through Ireland’s reputation internationally.

The past decade has seen Irish productions be nominated for over 30 Oscar nominations – a huge achievement for a country of our size.

‘An Cailín Ciúin’, is breaking Irish and UK box office records for an Irish language feature film surpassing €1M box office. It has also been chosen as the Irish entry to the International Feature Film Oscar and is being touted as a possible nominee!

What is key to all of this success however is the ability of Irish producers to hold on to IP for their projects. By retaining IP, producers can reinvest into new development for projects which enables them to grow their company into one of scale. This is a key issue for SPI in the coming years.

It is also important to note the economic return of S481.

According to the Government commissioned Olsberg / SPI report for every euro of the cost of Section 481, €1.02 in tax revenues was paid to the Irish Government and there was an economic net benefit of €2.82 from the activities supported.

We firmly believed that this return on investment has increased in the years since then due to the increasing size of the sector, and that S481 is a good return on investment on behalf of the taxpayer.

With the arrival of the major streaming services in Europe including Netflix and Amazon Prime Video, over the last ten years, the scale of screen content production, which was already at high levels of film and TV production, has increased dramatically.

There is a strong competitive environment for "inward production", the locating films, TV drama, animation and games in EU Member States. Ireland has done well for all the reasons it has done well in other areas of inward investment. These include its talented and creative workforce, the English language and its proximity to the UK (which is the largest single production country in Europe) as well as the Film Tax Credit and other supports currently in place.

I think it is important that we reflect on the types of productions that S481 supports in this country, both incoming and indigenous.

It supports multi million budget TV Dramas like 'Foundations' or Films like 'Aisha' but it also supports recently released Irish indigenous productions like the world wide success that is An Cailin Cuin, newly released Róise & Frank, both of which were supported by TG4 as well. Documentaries like Vicky and Nothing Compares 2U, which were both released in cinemas last week, are supported as well as TV Drama such as Kin and Normal People on RTÉ.

SPI welcomes the opportunity to engage with the Committee and we look forward to a good discussion about S481 and its impact on the screen sector.