

Film Tax Relief

Summary of Tax Credit Claims: 2006-07 to 2009-10

The new film tax relief was introduced in January 2007 to promote the sustainable production of British films. This summary of the take-up, cost and delivery of the relief covers the whole period of operation up to the end of 2009-10. It is based on information received by 31 May 2010 about claims received and payments made¹.

Headline figures

- **720 film productions have become eligible for the new film tax relief** since its inception.
- **Of these, 455 film productions have made 700 claims, for a total £340 million.** So far 615 claims by 410 films have received payments totalling £310m.
- **All but 15 of the payments were made within 6 months** of receiving the claim.

Qualifying Films

- Total production expenditure by films claiming the relief was £3.2 billion, of which 77% was incurred in the UK.
- Production expenditure on large-budget films averaged £93million per film, and £2.7million for limited-budget films.

Claims and payments

- 260 films made just one claim, and 190 made two or more, covering different accounting periods.
- 45 claims, or 7%, were made by large-budget films (those with production budgets of £20m+), 655 were made by limited-budget films.
- Claims by large-budget films totalled £185million. Claims by limited-budget films totalled £155million.
- Payments to large-budget films totalled £175million, and to limited-budget films, £135million. (£105m paid in 2007-08, £115m in 2008-09 and £95m in 2009-10).
- Tax credit payments to large-budget films averaged £3.9 million per claim, and to limited-budget films, £0.24 million.

Timing of claims and payments

- 60% of tax returns with a claim for film tax relief were filed within 6 months of their accounting period end, this proportion reaching 85% for 2009-10.
- Of the 610 payments made, 34% were made within one month of HMRC receiving the return, 79% within two months, and 98% within 6 months.

¹ Claims analysis relates to claims made in respect of Accounting Periods ended by 31 March 2010. Payments analysis relates to payments of these claims made by 31 March 2010. Figures have been rounded: to the nearest 5; or £5m; or £0.1m.