[HU] New Act on Film Production and Distribution

IRIS 2004-2:1/28

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On 22 December 2003 the Hungarian Parliament approved the Act on Motion Pictures. The aim of the Act is to increase the level of Hungarian film production by establishing a coherent national film support system.

The nationality of a film is defined in the Act by detailed rules, based on the criteria specified in the European Convention on Cinematographic Co-Production.

The Act lays down provisions concerning the Magyar Mozgókép Közalapítvány (Motion Picture Public Foundation of Hungary). This institution was established by the government and 27 organisations in the field of cinema in 1998. According to the new Act, the Public Foundation is responsible for the distribution of financial support allocated in the central budget for the Hungarian film sector. The Act defines the legal status of this organisation and sets out, to a limited extent, basic procedural rules for its activities.

The new law also specifies the different kinds of public support mechanisms. In regard to this, the Act provides rules for reference film aid and selective funding as well. While adopting the Act on Motion Pictures, the Parliament also amended the Act on Corporation Tax, granting certain preferences for enterprises engaged in film production.

The Act on Motion Pictures sets up several new organisations. One of these is the Mozgókép Koordinációs Tanács (Motion Pictures Coordination Council). This consultative body is composed of delegates from the public authorities playing a role in the financing of films and on the other hand broadcasters and professional organisations. It should be noted that Art. 16 of Act No. I. of 1996 on Radio and Television Broadcasting (Broadcasting Act, see IRIS 2002-8: 8, IRIS 2000-6: 9 and IRIS 1996-1: 14) imposes an obligation on national television broadcasters in Hungary to expend 6% of their advertising revenue on the production of new films. The formation of the council is intended to serve the purpose of achieving harmony between the functioning of this kind of private funding and the public support provided from the state budget.

The other institution set up by the new law is the Nemzeti Filmiroda (National Film Office). This public authority will keep the official registers of motion picture organisations and enterprises claiming financial support. The Office will also register films produced or distributed with public funding, and be responsible for

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the protection of minors in the film sector by classifying films distributed in Hungary. This classification system follows the same rules as provided by articles 5/A 5/F of the Broadcasting Act in the case of television programmes. In carrying out this function the Office will be backed by the Korhatár Bizottság (Classification Commission), consisting of six specialists.

The Magyar Nemzeti Filmarchívum (Hungarian National Film Archive) is defined in the Act as the collector and the trustee of the national film heritage. This means that those enterprises of the Hungarian film industry that are owned by the State via the Állami Privatizációs és Vagyonkezelõ Rt. (Hungarian Privatization and State Holding Company) will transfer their film rights to the Archive.

The Act on Motion Pictures will enter into force on 1 April 2004. The Ministry of National Cultural Heritage is expected to issue the decrees necessary for the proper application of the new Act by this date also.

2004. évi II. törvény a mozgóképről

http://jogszabalykereso.mhk.hu/cgi_bin/njt_doc.cgi?docid=81781.333690

Act No. II. of 2004 on Motion Pictures, 22 December 2003

http://www.nefmi.gov.hu/letolt/english/act_ii_2004.pdf

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