

## [DE] Land Prime Ministers Agree on Household Based Licence Fee

**IRIS 2010-6:1/21**

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At their conference on 9 June 2010, the prime ministers of the Länder agreed in a position paper that the broadcasting licence fee will in future not be charged per device but per household (home) or place of business.

The main objectives of this change to a device-independent broadcasting licence fee model are to solve the problem of media convergence, create a simpler system for levying licence fees and achieve an expected a reduction in administrative costs.

It is intended to keep the licence fee at its current level of EUR 17.98, and there will no longer be a distinction between a standing charge and a charge for television reception.

The basis for charging the broadcasting licence fee is to be either a household or place of business, with only one fee to be levied in future for all the individuals living in a dwelling. The amount payable per place of business will vary according to the number of people regularly employed there and be based on a ten-step sliding scale. For example, the first step is for businesses with up to four employees and enables one-third of the licence fee to be charged, the fourth step covers the range 50 to 249 employees and requires the payment of four times the licence fee, while the tenth step applies to businesses with 20,000 employees or more and requires payment of 150 times the licence fee.

The exemptions for private dwellings will in principle remain unchanged; in the case of non-private areas, they can be dropped for establishments exempted up to now since the payment will already have been reduced following the introduction of the sliding scale.

The revenue shifts within the ARD caused by the change to the new model are to be compensated for internally by employing specific mechanisms that take account of Germany's federal structure while retaining the flat rate charge. To this end, the ARD is to submit a joint financial and structural equalisation proposal. For the current licence fee period, the ARD has found an interim solution to the question of financial and structural equalisation.

In connection with the planned levy of a household-based licence fee from 1 January 2013, advertising and sponsorship in public service broadcasting are to be treated in the same way from that date, which means there may be no sponsorship on Sundays and public holidays and after 8pm Monday to Saturday, with the exception of major sporting events.

The prime ministers believe that the position they have taken up in their paper has been confirmed by Professor Kirchhof's report on the funding of public service broadcasting published on 6 May 2010 (see IRIS 2010-6: 1/22). In that report, the author sets out under what conditions the funding of public service broadcasting by means of a household/place of business based licence fee is permissible under German constitutional law.

