

**PART 4**  
**SUPPORT OF AUDIOVISUAL INDUSTRY**

**Section 22a**  
**Provision of financing for support of audiovisual industry**

a. (1) The Fund provides financing for support of audiovisual industry for realisation of a film project. For the purposes of this Act, a film project represents an audiovisual work

- a. a) which is a feature, documentary or animated cinematographic work or a work primarily intended for television broadcasting within a range defined in a generally binding legal regulation issued by the Ministry;
- b. b) which is compliant with criteria of culture test defined, together with a sample form of culture test, by a generally binding legal regulation issued by the Ministry; or to which a co-production status was issued by an eligible person; and
- c. c) in relation to the creation of which the eligible expenses have been paid at least at the rate defined in a generally binding legal regulation issued by the Ministry.

a. (2) A legally binding legal regulation issued by the Ministry shall define

- a. a) minimum time length of a film project pursuant to paragraph 1, sub-paragraph a);
- b. b) criteria of culture test accompanied by the sample form of culture test pursuant to paragraph 1, sub-paragraph b); and
- c. c) minimum sum of authorised expenses that shall be paid in relation to creation of a film project pursuant to paragraph 1, sub-paragraph c).

a. (3) For the purpose of provision of financing for support of audiovisual industry, authorised expenses represent those expenses which are directly related to realisation of a film project pursuant to paragraph 1, and which arose and were paid after issuing a certificate of registration of this film project pursuant to Section 22c, paragraph 7, particularly:

- a. a) payment for merchandise or services to a person, which has a seat, seat of a branch or a place of business in the territory of the Slovak Republic and which is registered in the respective tax authority in the Slovak Republic<sup>29a)</sup>;
- b. b) payment of a reward or salary to a natural person, if such a reward or salary is taxed<sup>29a)</sup> in the Slovak Republic.

a. (4) If the authorised expenses were paid by a person which is a registered value added tax payer, the expenses in the sum excluding value added tax shall be considered authorised. If the authorised expenses were paid by a person which is not a registered value added tax payer, the expenses in the sum including value added tax shall be considered authorised.

a. (5) The expenses paid from the financial means provided from public resources shall not be counted in the total amount of authorised expenses.

a. (6) The Fund provides financing for support of audiovisual industry in form of a grant in the amount of maximum 20 % of authorised expenses pursuant to paragraph 3.

a. (7) There is no legal claim to provision of financing for support of audiovisual industry from the Fund.

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<sup>29a)</sup> Section 67 of Act No. 563/2009 Coll. on tax administration (tax regulations) and the amendment and supplement of certain acts.

**Section 22b**  
**Applicants for financing for support of audiovisual industry**

a. (1) An applicant for financing for support of audiovisual industry (hereinafter referred to as “applicant for support of audiovisual industry”) shall be a legal entity, which

- a. a) is a producer or a co-producer of a film project, for realisation of which it applies for financial support; or
- b. b) has signed a written contract with the legal entity pursuant to sub-paragraph a), the purpose of which is:
  - a. 1. a commitment of this entity to perform activities to the entity pursuant to sub-paragraph a) related to realisation of the film project on which it applies for financial support,
  - a. 2. identification of the film project, for realisation of which it applies for financial support;
  - b. 3. agreement of the entity pursuant to sub-paragraph a) with the application for financing for realisation of a film project specified in such written contract.

a. (2) In case of a film project realised in co-production, the applicant for support of audiovisual industry shall be only one co-producer, which is authorised in writing for this purpose by other co-producer; or a legal entity, which has signed a written contract pursuant to paragraph 1, sub-paragraph b) with this co-producer.

a. (3) An entity to which the Fund cannot provide financial support due to at least one reason pursuant to Section 19, paragraph 3 cannot be an applicant for support of audiovisual industry.

a. (4) An applicant for support of audiovisual industry shall not be a member of the Board, a member of the Supervisory committee, a member of an expert committee, the Director, or a person with a close relationship to the Director.<sup>27)</sup>

**Section 22c**  
**Application for registration of a film project**

a. (3) An applicant for support of audiovisual industry shall submit the application for registration of a film project to the Fund. The Fund shall publish a sample form of an application for support of audiovisual culture on its website.

- a. (4) The application for registration of a film project shall have the following annexes attached:
- 1. a) filled form for culture test or co-production status issued by an eligible person;
  - 2. b) content intention of the registered film project;
  - 3. c) investment intention of the registered film project containing the estimated amount of overall budget and the estimated amount of authorised expenses;
  - 4. d) timetable of realisation of the registered film project;
  - 5. e) receipt confirming the payment of administrative fee pursuant to Section 22d;
  - 6. f) written contract pursuant to Section 22b, paragraph 1, sub-paragraph b), in case the applicant for support of audiovisual industry is a legal entity pursuant to Section 22b, paragraph, 1 sub-paragraph b).

a. (5) If the annexes pursuant to paragraph 2 are submitted in a language other than the national language, the applicant for support of audiovisual culture shall also submit a translation of them in the national language of the Slovak Republic.

a. (6) After submitting the application for registration of a film project to the Fund, the office shall check whether all annexes specified in paragraph 2 were enclosed to the application for registration of a film project. The office shall also check whether the film project is compliant to the criteria pursuant to Section 22a,

paragraph 1, sub-paragraphs a) and b).

a. (7) If an application for registration of a film project does not contain the annexes specified in paragraph 2, the Fund shall request the applicant for support of audiovisual industry in writing to complete the application for registration of a film project within the period which shall not be less than 30 days from the date of delivery of the request.

a. (8) The Fund rejects the application for registration of a film project if

- a. a) the applicant for support of audiovisual industry did not complete the application for registration of a film project pursuant to paragraph 5;
- b. b) the film project does not comply with criteria specified in Section 22a, paragraph 1, sub-paragraphs a) and b); or
- c. c) it is apparent from the annex specified in paragraph 2, sub-paragraph c) that the authorised expenses will be paid in a lower sum than the sum pursuant to Section 22a, paragraph 1, sub-paragraph c) in relation to the film project realisation.

a. (9) If the Fund does not reject the application for registration of a film project pursuant to paragraph 6, it issues the certificate of film project registration to the applicant for support of audiovisual industry, which is valid 3 years from its date of issue.

#### **Section 22d**

##### **Administrative fee for processing the application for registration of a film project**

An applicant shall pay the administrative fee for the processing of the application for support of audiovisual industry in the sum of EUR 1,000 to the account of the Fund.

#### **Section 22e**

##### **Application for support of audiovisual industry**

a. (1) Application for support of audiovisual industry, the sample form of which will be published on the Fund's website, may be submitted only by the applicants for support of audiovisual industry, which:

- a. a) has a valid certificate of film project registration; or
- b. b) signed a written contract with a legal entity pursuant to Section 22b, paragraph 1, sub-paragraph a), which has a valid certificate of film project registration pursuant to Section 22b, paragraph, 1 sub-paragraph b).

a. (2) The applicant for support of audiovisual industry is allowed to submit the application for support of audiovisual industry at once in relation to all realised authorised expenses, or continually after the end of calendar quarter year in relation to authorised expenses realised in the period preceding its submission. If the applicant for support of audiovisual industry submits the application for support of audiovisual industry continually, they are allowed to submit it for the first time after the end of the calendar quarter year in which the sum of authorised expenses was exceeded pursuant to Section 22a, paragraph, 1 sub-paragraph c).

a. (3) The annexes to the application for support of audiovisual industry shall be as follows:

- a. a) certificate of the legal capacity of the applicant for support of audiovisual industry;
- b. b) written contract pursuant to Section 22b, paragraph, 1 sub-paragraph b), if the applicant is a legal entity pursuant to Section 22b, paragraph, 1 sub-paragraph b),
- c. c) report from auditor on verification of occurrence, accounting and payments of authorised expenses,
- d. d) sworn statement of the applicant for support of audiovisual industry on the amount of financing from public sources that the applicant received in relation to the realisation of the film project on which the Fund issued the certificate of registration;
- e. e) certificate of the respective labour inspectorate on not breaching the prohibition of illegal employment, if the applicant for support of audiovisual industry is an enterprise or consortium of enterprises;
- f. f) proof that the applicant for support of audiovisual industry has opened an account in a bank<sup>27a)</sup> or

branch of a foreign bank<sup>27b)</sup> to which the applicant for support of audiovisual industry wishes the financing to be paid;

- g. g) certificate of a respective court that the applicant for support of audiovisual industry is not in bankruptcy or liquidation and that no execution procedure is in progress against the applicant for support of audiovisual industry;
- h. h) sworn statement of the applicant for support of audiovisual industry that they have settled the financial relations with the subjects of public administration;
- i. i) sworn statement of the applicant for support of audiovisual industry that they have always properly submitted the financial statement of financing from the Fund in the last three calendar years if they were required to do so.

a. (4) If the annexes specified in paragraph 3, sub-paragraph a), b), d) to i) are submitted in a language other than the national language, the applicant for support of audiovisual industry shall also submit a translation of them in the national language of the Slovak Republic. The annex specified in paragraph 3, sub-paragraph c) shall be created in the national language of the Slovak Republic.

a. (5) Within 30 days of the delivery of an application for support of audiovisual industry to the Fund, the office shall check whether the application was submitted by an eligible applicant as specified in Section 22b and whether the submitted application is completed correctly and contains the annexes specified in paragraph 3. The office shall also check the administrative accordancy and accuracy of authorised expenses.

a. (6) If an application for support of audiovisual industry is not completed correctly or does not contain the annexes specified in paragraph 3, the Fund shall request the applicant for support of audiovisual industry in writing to complete the application within the period which shall not be less than 30 days of the date of delivery of the request.

a. (7) For the purposes of verification of the administrative accordancy and accuracy of authorised expenses, the applicant for support of audiovisual industry shall, based on the written request of the Fund and in the period defined in the application that cannot be less than 10 days of the date of submission of the application, submit the copies of accounting documents confirming the occurrence, accounting and payments of authorised expenses pursuant to Section 22a, paragraph 3, sub-paragraph a) and copies of documents confirming the tax payments regarding the rewards or salaries of natural persons pursuant to Section 22a paragraph 3 sub-paragraph b).

a. (8) Within 30 days of the date of submission of the complete application for support of audiovisual industry or within 30 days of the date of submission of documents specified in the paragraph 7, if the Fund proceeded pursuant to paragraph 7, the Fund rejects the application for support of audiovisual industry if

- a. a) the application for support of audiovisual industry was submitted by an ineligible applicant for support of audiovisual industry;
- b. b) the applicant for support of audiovisual industry, or a legal entity pursuant to Section 22b, paragraph 1, sub-paragraph a) if the the application for support of audiovisual industry is a person defined in Section 22b, paragraph 1, sub-paragraph b), does not have a valid certificate of film project registration;
- c. c) the applicant for support of audiovisual industry did not complete the application even within the additional period defined in paragraph 6;
- d. d) the applicant for support of audiovisual industry did not provide the copies of documents within the period defined in paragraph 7; or
- e. e) after the verification of administrative accordancy and accuracy of authorised expenses it detects that the amount of authorised expenses is lower than the sum pursuant to Section 22a, paragraph 1, sub-paragraph c).

a. (9) If the Fund does not reject the application for support of audiovisual industry pursuant to paragraph 8, within 30 days of the date of submission of the complete application for support of audiovisual industry or within 30 days of the date of submission of documents specified in the paragraph 7, if the Fund proceeded pursuant to paragraph 7, it issues the certificate of overall sum of authorised expenses, from which the Fund calculates the amount of financial means for support of audiovisual industry in accordance with Section 22a, paragraph 6 and with the rules of provision of state aid pursuant to a special regulation 17) (hereinafter

referred to as “certificate of authorised expenses”).

a. (10) Without undue delay after the issuance of the certificate of authorised expenses, the Fund shall deliver this certificate along with the draft contract on providing financing for support of audiovisual industry (hereinafter referred to as “contract on support of audiovisual industry”).

**Section 22f**  
**Contract on support of audiovisual industry**

- a. (1) Contract on support of audiovisual industry includes the commitment
1. a) of the Fund to provide the applicant for support of audiovisual industry with financing for support of audiovisual industry within the period no later than 30 days of concluding the contract on support of audiovisual industry;
  2. b) of the applicant for support of audiovisual industry
    3. 1. to ensure that the film project, on realisation of which the financing for support of audiovisual industry was provided, would comply with the conditions specified in Section 22a, paragraph 1, subparagraph a) and b);
    4. 2. to submit the copies of accounting documents confirming the occurrence, accounting and payments of authorised expenses pursuant to Section 22a, paragraph 3 based on a written request of the Fund and within the period defined in the application for the purpose of examination of authorised expenses.
- a. (2) If the applicant for support of audiovisual industry does not accept the draft contract on support of audiovisual industry no later than 30 days of its delivery, the draft contract shall expire.
- a. (3) On entering into the contract on support of audiovisual industry, the applicant for support of audiovisual industry becomes a recipient of financing for support of audiovisual industry.
- a. (4) The Fund shall provide financing pursuant to Section 22a based on a written contract on support of audiovisual industry to the recipient of financing for support of audiovisual industry, which has a seat or a branch in the territory of the Slovak Republic and is registered in the respective tax authority.<sup>29a)</sup>

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### **DECREE**

#### **of the Ministry of Culture of the Slovak Republic**

of 13 June 2014

#### **on a film project**

The Ministry of Culture of the Slovak Republic according to § 22a section 2 of the Act No. 516/2008 Collection of Acts on the Audiovisual Fund and on change and amendment of certain acts as amended by the Act No. 374/2013 Collection of Acts (hereinafter only the „Act“) enacts:

§1 The minimum time extent of a film project

According to § 22a section 1 of the Act, financial resources may be provided for the support of the audiovisual industry designated for the implementation of a film project which a) Consists of one, two or three separate cinematographic works <sup>1)</sup> with the time extent of each of them of at least 70 minutes or

b) Is an audiovisual work primarily designated for the television broadcast and is 1. An independent audiovisual work with a time extent of at least 40 minutes or 2. A multipart audiovisual work with an extent of 13 parts at the most and with a time extent of

each of its parts of at least 40 minutes.

§2 Criteria for a cultural test and a sample form of the cultural test

(1) The criteria for a cultural test are structured to a) Basic, b) Cultural, c) Implementation.

(2) A film project for the implementation of which financial resources for the support of the audiovisual industry may be provided according to § 22a section 1 of the Act, fulfils the criteria of a cultural test if the audiovisual work fulfils the basic criteria and achieved at least 24 points out of the total number of points of the cultural test, out of which it achieved at least 9 points for the cultural criteria.

(3) The criteria of the cultural test are stated in the sample form of the cultural test which is stated in the annex.

### §3 Minimum amount of eligible expenses

The minimum amount of eligible expenses paid in connection with the creation of a film project according to § 22a section 1 of the Act is 150,000 Euros; this minimum amount may not exceed 50 % of the total budget for the production of the film project.

§4 This Decree shall enter into effect on 1 July 2014.

**Marek Madaric** , signed with his own hand

1) § 2 section 2 of the Act No. 343/2007 Collection of Acts on the Conditions of Registration, Public Distribution and Preservation of Audiovisual Works, Multimedia Works and Sound Recordings of Artistic Performance and on change and amendment of certain acts (the Audiovisual Act)