

Act No. 496/2012 Coll.

Act on Audiovision

Updated wording effective from 31 January 2025 until 31 December 2025

The Parliament passed the following Act of the Czech Republic

PART ONE

AUDIOVISION

TITLE I

INTRODUCTORY PROVISIONS

Section 1

Subject Matter

(1) This Act shall govern:

- a) obligations relating to the production and release of cinematographic and other audiovisual works;
- b) the status and activities of the National Film Archive, and
- c) the status and activities of the Czech Audiovisual Fund, its financing, provision of support to audiovisual projects (hereinafter referred to as the “selective support”) and provision of incentives to the film industry (hereinafter referred to as “production incentives”).

(2) The provisions of Sections 3 and 6 to 8 and the provision regulating the selective support and production incentives shall not apply to:

- a) video recordings⁵³⁾, video clips or programs based on them;
- b) works containing pornography, brutal self-serving violence, works offending human dignity and instigating crime; and
- c) news programs, publicist programs, recordings of cultural or sports events, entertainment programs and competitions.

Section 2

Basic Terms

(1) For the purposes of this Act, the following terms shall have the following meanings:

- a) cinematographic performance shall mean public theatrical presentation, or other similar form of release, of an audiovisual work¹⁾,
- b) cinematographic work shall mean an audiovisual work intended for public performances; audiovisual works having the nature of advertising shall not be considered cinematographic works²⁾,

- c) television work shall mean an audiovisual work intended for release in a television broadcast or through an on-demand audiovisual media service; audiovisual works having the nature of advertising shall not be considered television works²⁾;
- d) audiovisual infrastructure shall mean a set of associated procedures and activities enabling the use of an audiovisual work or a part thereof; for the purpose of provision of selective support, audiovisual infrastructure includes projects from the areas defined in Section 31(1)(c) to (j) below;
- e) animated audiovisual work shall mean an audiovisual work that uses animation procedures and does not contain at the same time a continuous record of a live action;
- f) videogame shall mean an interactive work containing audiovisual elements, consisting in a game or simulation which uses digital technologies, is capable of being published through an electronic or physical medium, is controlled by a computer program enabling the player playing the game to interact with the dynamic of the game or simulation and contains in its digital form at least two of the following elements:
 - (1) text;
 - (2) sound;
 - (3) a static image; or
 - (4) animated shots.

Videogames are considered audiovisual works for the purposes of this Act;

- g) producer shall mean a person that is the holder, or one of the holders, of an authorisation to exercise the right to use³⁾ an audiovisual work, including any author's works and artistic performances used audiovisually in it, and who possesses at the same time the audio/video recording producer's rights⁴⁾ in relation to the recording of the audiovisual work, or a share in such rights;
- h) co-producer shall mean any producer, if there are more than one producer of an audiovisual work;
- i) Czech audiovisual work shall mean an audiovisual work
 - 1. produced with a contribution of a producer or co-producer having his registered office or permanent residence in the Czech Republic, such contribution covering at least 10% of the total production costs; or
 - 2. produced with a contribution of a co-producer having his registered office or permanent residence in the Czech Republic, combined with the contribution of a co-producer not having his registered office or permanent residence in the Czech Republic, provided that such an audiovisual work meets the conditions of the European Convention on Cinematographic Co-production (hereinafter referred to as the "Convention")⁵⁾, the revised Council of Europe Convention on Cinematographic Co-production (hereinafter the "Revised Convention") or of any other international agreement on film co-production that is binding on the Czech Republic (hereinafter referred to as the "international film co-production agreement"), irrespective of how such a co-producer contributed to the financing of the production costs;
- j) distributor shall mean a person that, as a part of performance of its business activities and to the extent of the authorisation granted by holders of rights to use the audiovisual work and its recording (with the exception of videogames),
 - 1. makes copies, or has copies made, for the purpose of distribution, leasing or lending thereof⁶⁾, and distributes, leases or lends such copies in the Czech Republic;

2. provides an authorisation to third parties to use an audiovisual work in the territory of the Czech Republic through cinematographic performances, through an on-demand audiovisual media service⁷⁾ or television broadcasting⁸⁾, and as a rule also provides a recording of the audiovisual work for this purpose to the beneficiary of the authorisation;
- k) cinematographic performance organiser shall mean a person that organises at its own cost and its own responsibility a cinematographic performance;
- l) producer of a videogame shall mean a person that is the holder or one of the holders of the authorization for the exercise of the right to use a videogame or a part thereof in accordance with the Copyright Act³⁾, including author's rights, computer programs, artistic performances and audiovisual elements used in the videogame, or of a share in such rights.

(2) If the activities referred to in Subsection 1(j) are carried out by the producer or one of the co-producers of a Czech audiovisual work, such a producer or co-producer shall be considered distributor for the purpose of performance of the obligations under this Act.

Section 3

Captions for Hearing Impaired Viewers

(1) Captions for hearing impaired viewers shall be understood to mean a visually recorded and optionally adjustable text in the Czech language, which is synchronised with the sound track of the audiovisual work and which transcribes or describes spoken words and other sounds contained in the audiovisual work, doing so in a manner enabling the hearing impaired viewers to follow the dialogue and the action in the audiovisual work.

(2) The distributor of a Czech audiovisual work (with the exception of a videogame) shall provide copies of such a work, distributed to the public in the Czech Republic, with captions for the hearing impaired viewers as referred to in Subsection 1 above and shall ensure that the inscription "Captioned for the Hearing Impaired" is printed on the packages of such reproductions.

Section 4

Classification of Cinematographic Works

(1) Before the first presentation in the territory of the Czech Republic, each cinematographic work must be labelled to indicate its classification as to the suitability of its content for minors. The purpose of the classification is to restrict access to cinematographic works whose content may affect physical, mental or moral development of minors.

(2) From the viewpoint of content suitability for minors, cinematographic works shall be classified as follows:

- a) unrestricted;
- b) unsuitable for minors under 12 years of age;
- c) unsuitable for minors under 15 years of age; or
- d) restricted for minors under 18 years of age.

Section 5

Obligations in the Classification of Cinematographic Works

(1) A producer or co-producer who has his registered office or permanent residence in the Czech Republic shall classify Czech cinematographic works and shall notify their distributors of such classification.

(2) As to cinematographic works other than Czech cinematographic works, the distributor shall classify any such work distributed by him in the territory of the Czech Republic.

(3) The distributor shall inform each cinematographic performance organiser, on-demand audiovisual media service provider⁹⁾ and any other persons to which the distributor grants the right to use the work in the territory of the Czech Republic about the classification under Subsections 1 and 2 above .

(4) The distributor defined in Section 2(1)(j)(1) above shall provide the packages of the copies of a cinematographic work with a classification label. Should such a copy contain more than one cinematographic work, the classification of the cinematographic work with the strictest restriction as indicated in Section 4(2) above shall be used for the labelling of such copies.

(5) The cinematographic performance organiser shall ensure that the cinematographic work classification indicated by the distributor is made public together with the announcement of the cinematographic performance. During the cinematographic performance, the organiser shall ensure that the presence of persons to which the restriction, if any, of access to the work applies in accordance with Section 4(2)(d) above is excluded.

(6) Any person that sells, leases¹⁰⁾ or lends¹¹⁾ copies of a cinematographic work classified and labelled in accordance with Section 4(2)(d) shall not sell, lease or lend such copies to any person to which the restriction of access to such a work applies in accordance with the classification.

(7) The distributor is obliged to classify under Section 4 any audiovisual trailers or other forms of advertising of the cinematographic work distributed by him which is intended for cinematographic performances if they meet the conditions for classification under Section 4(2)(d) as regards suitability of their contents for minors, and is obliged to notify the cinematographic performance organiser of such classification. The distributor of a cinematographic work that has already been classified as indicated in Section 4(2)(d) above shall ensure that the audiovisual trailers or other forms of advertising of such cinematographic work contain the designation of the classification of such cinematographic work if such classification is stricter than the classification of the audiovisual trailer or of another form of related advertising which was determined under the first sentence.

(8) Before, during and immediately after a cinematographic performance, the cinematographic performance organiser may not present to the public any of the trailers referred to in Subsection 7 above if they have a stricter restriction label than the cinematographic work shown as the main feature of the cinematographic performance.

Section 6

Offer Obligation Relating to Czech Cinematographic Works

(1) The producer of a Czech cinematographic work, or its co-producer with his registered office or permanent residence in the Czech Republic, shall offer to the National Film Archive in the form of a proposed contract

- a) 2 copies of the work at the quality required for a copy intended for cinematographic performances;
- b) a copy of such work at the quality suitable for production of copies intended for release to the public through cinematographic performances;
- c) digital copies of final basic materials created as a part of the literary preparation of such work; and
- d) digital copies of all kinds of promotional materials in the quality required for their production.

(2) If there are more than one type of copies that differ as to technology, edition, language or otherwise which are used for cinematographic presentation of the relevant work, all these types shall be indicated in the written offer referred to in Subsection 1 above.

(3) The time limit for the acceptance of the contract proposal referred to in Subsection 1 shall be 6 months after the date of delivery of the proposal.

(4) The producer or co-producer referred to in Subsection 1 above shall deliver to the National Film Archive copies of a Czech cinematographic work that constitute the object of the contract within 6 months after the conclusion of the contract; digital copies may not be encrypted. Within the same time limit, the producer or co-producer shall also deliver to the National Film Archive the other items that constitute the object of the contract.

(5) A producer or co-producer referred to in Subsection 1 above, who is at the same time a recipient of the selective support in accordance with Section 31(1)(b), shall present to the National Film Archive in the form of a proposed contract within 60 days after the date of release of the supported work a written offer of all copies referred to in Subsection 1 and 2, which shall be provided free of charge. Subsections 3 and 4 shall apply *mutatis mutandis* to the time limit for the acceptance of such an offer to conclude the contract and to the delivery of the items after the acceptance of such offer.

(5) Subsection 5 shall not apply to a copy of the work at the quality fit for production of copies intended for public release through cinematographic performances, which is not made in the digital form. This shall not affect the obligation of the producer of a Czech cinematographic work or of its co-producer with his registered office or permanent residence in the Czech Republic to offer such copy in writing in the form of a contract proposal to the National Film Archive pursuant to Subsection 1(b).

Section 6a

Offer Obligation Relating to Czech Television Works

(1) The producer of a Czech television work, or its co-producer with his registered office or permanent residence in the Czech Republic, who is at the same time a recipient of the selective support in accordance with Section 31(1)(b), shall be obliged to present to the National Film Archive in writing in the form of a proposed contract within 60 days after the date of release of the supported work a free offer of

- a) 2 copies of such work at the quality of a copy intended for public release through television broadcasting on an on demand audiovisual media service,
- b) a copy of such work at the quality suitable for the production of copies intended for public release through television broadcasting or an on-demand audiovisual media service;
- c) a digital copy of final basic materials created as a part of the literary preparation of the work; and
- d) digital copies of all kinds of promotional materials relating to such work at the quality intended for production thereof;

(2) If there are more than one type of copies that differ as to technology, edition, language or otherwise which are used for the release of a Czech television work via television broadcasting or an on-demand audiovisual media service, all these types shall be indicated in the written offer referred to in Subsection 1.

(3) The time limit for the acceptance of the contract proposal referred to in Subsection 1 shall be 6 months after the date of delivery of the proposal.

(4) The producer or co-producer referred to in Subsection 1 above shall deliver to the National Film Archive copies of a Czech television work that constitute the object of the contract within 6 months after the conclusion of the contract; digital copies may not be encrypted. Within the same time limit, the producer or co-producer shall also deliver to the National Film Archive the other items that constitute the object of the contract.

Section 6b

Joint Provisions Relating to the Offer Obligation

Once the item has been delivered in accordance with Subsections 6 or 6a above, such an item shall become the property of the Czech Republic to be administered by the National Film Archive¹²⁾. The transfer of the ownership of the copies of Czech cinematographic works, Czech television works and other materials according to Subsections 6 or 6a does not grant the National Film Archive the right to use such Czech cinematographic works, Czech television works and any other materials in any manner whatsoever, unless it obtains an authorisation to do so from the holders of the copyright or rights related to copyright, unless specified otherwise by a special law¹⁾.

Section 7

Listing of Audiovisual Works

(1) The producer of a Czech audiovisual work, unless it is a videogame, or its co-producer with his registered office or permanent residence in the Czech Republic, shall inform the National Film Archive about such work not later than by 31 January following the calendar year in which the work was released to the public in the Czech Republic.

(2) The producer of a an audiovisual work that is a videogame, who has his registered office or permanently resides in the Czech Republic and is at the same time a recipient of the selective support under Section 31(1)(b) below, shall notify the National Film Archive of such work not later than by 31 January following the calendar year in which the work was released to the public in the Czech Republic.

(3) The distributor shall notify the National Film Archive of every cinematographic work and every television work presented within his distribution to the public in the Czech Republic through cinematographic performances, television broadcasting or an on-demand audiovisual media service and shall do so not later than by 31 January following the calendar year in which the work was released to the public in the Czech Republic.

(4) A notification referred to in Subsections 1 to 3 shall contain:

- a) the name of the audiovisual work or, in the case of an audiovisual work other than a Czech work, its name in the original language version as well as the name under which the audiovisual work is released to the public in the Czech Republic, if it differs from the name in the original language version;
- b) with the exception of the notification of a videogame, the first name(s) and last name(s) of the author(s) of the audiovisual work and authors of the main works used audiovisually¹³⁾, if known and unless the author expressed his wish to make his work public without indicating his name¹⁴⁾; if the author expressed his wish to be designated by a pseudonym, such a pseudonym shall be indicated instead of the author's first and last name;
- c) with the exception of the notification of a videogame, the first name(s) and last name(s), or pseudonym(s) used instead of the names, of the performing artists in leading roles, if known and unless the performing artist expressed his wish to make his performance public without indicating his name¹⁴⁾;
- d) in case of a Czech audiovisual work: the company name or the first name(s) and last name(s), registered office or address of the permanent residence of the producer or of all co-producers,
- e) the year of public release of the audiovisual work,
- f) in case of a cinematographic work, classification of the cinematographic work in accordance with Section 4,
- g) information about the original language version of the audiovisual work,
- h) with the exception of notification of a videogame, the length of the audiovisual work in metres or, in case of a digital work, its length in minutes,
- i) in case of a Czech audiovisual work produced with the participation of foreign co-producers: the percentage contribution of the co-producer, or jointly of all co-producers who have their registered office or permanent residence in the Czech Republic, to the financing of the costs of production of such Czech audiovisual work, and the percentage contribution of the co-producer, or of all co-producers having their registered office or principal place of business in the territory of any other state, to the financing of the costs of the production of such Czech audiovisual work;
- j) with the exception of notification of a videogame, information about all types of copies of the audiovisual work used for the release of the work to the public in the Czech Republic, and information about the visual and sound format of such types of copies;
- k) with the exception of notification of a videogame, information about all versions of the audiovisual work if the audiovisual work is released to the public in the Czech Republic in more than one technological, edited or other version;
- l) in case of a videogame, information about all hardware platforms on which it has been released in the Czech Republic, about all additions to the content that have been issued

in the Czech Republic, all types of carriers and distribution that have been used in the Czech Republic;

- m) information as to whether the audiovisual work is released to the public in the Czech Republic in its original language, dubbed or subtitled, and in case of a dubbed or subtitled audiovisual work information about the translator and the entity that has produced the relevant language version; in case of a videogame, this applies to both sound and text parts of the game;
- n) in case of audiovisual works released to the public in the Czech Republic in more than one technological, edited or other version, information about the language version of the audiovisual work referred to under clause m) above in relation to each such different technological, edited or other version; and
- o) in case of a videogame, a brief verbal description of the game.

(5) The obligation referred to in Subsections 1 and 3 above shall not apply to television broadcasting operators by law. The obligation referred to in Subsection 3 shall not apply to a cinematographic work presented to the public in the Czech Republic in the calendar year through not more than 10 cinematographic performances.

(6) The Ministry of Culture (hereinafter referred to as the “Ministry”) shall make public in a manner allowing for remote access a specimen notification form for the purpose of compliance with the obligations referred to in Subsections 1 to 3 above.

(7) If a notification referred to in Subsections 1, 2 or 3 above does not contain the complete information specified in Subsection 4 above, the National Film Archive shall call the obliged person to complement the notification within 15 days after the date of delivery of the call. Should the obliged person fail to do so within 15 days from the date of delivery of the call, the obligation referred to in Subsections 1, 2 or 3 shall be deemed not fulfilled.

(8) If the National Film Archive learns that any person has breached his obligations referred to in Subsections 1, 2 or 3 above, the National Film Archive shall forthwith report such person in writing to the relevant regional authority. The notification shall contain information about who, when and how has breached the obligation.

(9) Following the compliance with the obligations specified in Subsection 1 above, the National Film Archive shall issue to the producer of the work a certificate of origin, certifying that the work complies with the conditions specified in Section 2(1)(i). Such certificate shall be issued in the English language.

(10) The National Film Archive shall allow making the notification under Subsection 4 to the producer of a Czech audiovisual work that is a videogame who has his registered office or permanent residence in the Czech Republic and who decides to make a voluntary notification of a videogame that has been released to the public in the Czech Republic.

TITLE III

NATIONAL FILM ARCHIVE

Section 8

(1) The National Film Archive, having its registered office in Prague, established by the Ministry as an organisation partly financed from public budgets¹⁵⁾, is a specialised archive for audiovisual archival materials. In the selection, listing and care for audiovisual archival

materials, the National Film Archive proceeds in accordance with the law regulating archival activities and the record-keeping service.

(2) The mission of the National Film Archive is to develop, protect, restore, scientifically process, make accessible and use the Collection of the National Film Archive. The Collection of the National Film Archive consists of audiovisual works, including videogames, sound recordings, photographs, documents or books, information relating to them and their tangible rendering, including digital and other materials and information associated with their creation, distribution and public release. The mission of the National Film Archive further includes cooperation with Czech and foreign audiovisual and cultural institutions in the development and dissemination of audiovisual culture, including by means of new technologies, publication of specialised literature and research and pedagogical cooperation with elementary, secondary and post-secondary vocational schools and universities involved in the audiovisual sphere and with other educational institutions involved in audiovisual education.

(3) Beside the register of archival materials kept in accordance with the law regulating archival activities and the record-keeping service, the National Film Archive also keeps a separate register of audiovisual works and their tangible rendering, including digital, which form part of the Collection of the National Film Archive. This register is not governed by the provisions of the Act on Accounting that regulate the maintenance of records of assets.

(4) Recordings of the audiovisual works shall be provided by the National Film Archive for educational purposes to elementary, secondary and post-secondary vocational film schools¹⁸⁾, to film universities¹⁹⁾, and to associations²⁰⁾, institutes⁴⁶⁾ or public benefit organisations²¹⁾ organising cinematographic performances, provided that the National Film Archive or the applicant has obtained the consent of holders of the relevant rights. The National Film Archive may only require reimbursement for the costs reasonably incurred in this context. If such reimbursement is requested by the National Film Archive, it shall be paid by the person who has applied for the provision of an audiovisual work recording.

(5) The audio/video recordings of Czech audiovisual works produced by the state in the period between 28 August 1945 and 31 December 1991, whose audiovisual recording producer's rights expire on or after the effective date of this Act, may only be used on the basis of their original carriers, if they are owned by the state and administered by the National Film Archive, or with the written consent of the National Film Archive. This shall be without prejudice to the rights of the authors of the audiovisual or the audiovisually used works. In providing the original carriers to persons interested in using the audiovisual works, the National Film Archive shall ensure that no legal barrier is created that impedes the provision of the carriers to other applicants. Any arrangement to the contrary executed with an applicant shall be void.

(6) The National Film Archive shall not assign the rights of ownership of audiovisual works which form parts of the Collection of the National Film Archive or of any parts thereof to any third party, and shall not encumber them with any third party rights, with the exception of copies of audiovisual works or audiovisual archival materials made by the National Film Archive upon an order of third parties to be used for those parties' purposes and with the exception of copies of publications and recordings made by the National Film Archive for publishing purposes²²⁾. This shall not prejudice the right of the National Film Archive to grant licences to the use of work which the National Film Archive is entitled to manage¹²⁾, as well as the rights of the producer of the audiovisual recording which belong to the National Film Institute under the Copyright Act¹⁷⁾, and the rights to the objects of intellectual property rights or the rights of use thereof by the National Film Archive, acquired under a contract and exercised by the National Film Archive.

(7) Any legal act undertaken in contravention of the provisions of Subsection 5 above shall be void.

(8) Licences to use audiovisual recordings of Czech audiovisual works shall be granted by the National Film Archive under equal conditions to interested applicants within the scope of the rights pertaining to the National Film Archive under other legal regulations or under agreements with the holders of the rights; transcripts of audiovisual works or parts thereof, or documentation materials, shall be provided by the National Film Archive together with the consent to use them in accordance with Subsection 5 above, unless the intended use contravenes good morals or the law or serves to support or promote illegal activities. Proceeds from contracts involving a consideration under this Subsection shall be used for the financing of the National Film Archive's activities.

(9) Furthermore, the National Film Archive shall maintain listings of audiovisual works in accordance with Section 7 and make such listings accessible to the public by a method allowing for remote access. The National Film Archive shall include an audiovisual work in its listings not later than within 1 year after receipt of a complete notification in accordance with Section 7.

TITLE IV

THE CZECH AUDIOVISUAL FUND AND PROVISION OF SELECTIVE SUPPORT AND OF PRODUCTION INCENTIVES

Part 1

Czech Audiovisual Fund

Division 1

Status of the Czech Audiovisual Fund

Section 9

(1) The Czech Audiovisual Fund (hereinafter referred to as the "Fund") is hereby established with its registered seat in Prague.

(2) The Fund is a state-owned fund²³⁾ which is entitled to administer the property of the Czech Republic.

(3) Details of the Fund's activities, its internal organisation and financial management, the provision of selective support and of production incentives shall be defined in the Fund's Statute. A draft version of the Fund's Statute or amendments thereto shall be submitted by the Fund's Director to the Minister of Culture (hereinafter referred to as the "Minister"), once it has been discussed with the Supervisory Committee (hereinafter referred to as the "Supervisory Committee") and approved by the Fund's Board of Representatives. The Fund's Statute and any amendments thereto shall be approved by the government.

(4) The Fund falls within the competence of the Ministry. The Ministry shall be the Fund's supervisory administrative authority.

Division 2
Activities of the Fund

Section 10
Responsibilities and Activities of the Fund

(1) The Fund shall, in particular:

- a) administer audiovisual levies and in accordance with this Act;
- b) administer administrative fees the proceeds whereof constitute the Fund's income;
- c) provide selective support in 4 categories: support of cinematography, support of television works, support of animated audiovisual works and videogames and support of the audiovisual infrastructure;
- d) exercise proprietary rights, including copyright and proprietary rights of performing artists which shall pass to the state under another law²⁶⁾;
- e) exercise the rights of producers of audiovisual works that have passed to its legal predecessor in accordance with another law²⁷⁾ and the rights of producers of audio/video recordings pertaining to it in accordance with another law¹⁷⁾;
- f) grant the co-producer status in accordance with the Convention, the Revised Convention or under any other international agreement on film co-production;
- g) provide production incentives;
- h) carry out methodological activities;
- i) collect, process and analyse data generated by the Fund's own activities and in the field of audiovision and carry on the related analytical and conceptual activity;
- j) perform activities associated with the development of conditions for the production of audiovisual works on the national and regional level and promotional activities in the field of audiovision and film industry in the Czech Republic and abroad, including the organization of the participation of the Czech Republic in national and international festivals and markets, and activities related to the membership of the Czech Republic in specialized associations in the field of audiovision;
- k) manage the agenda management system of the Fund (hereinafter the "agenda management system");
- l) perform activities defined by other laws²⁸⁾.

(2) The tasks and activities performed by the Fund in accordance with Subsection 1 represent a justified interest of the Fund within the meaning of a directly applicable regulation of the European Union⁵⁵⁾.

(3) The Fund shall publish its approved annual report in a manner allowing for remote access.

(4) The Fund shall prepare an audiovisual development concept (hereinafter the "Concept"), which is the key strategic document of the Fund. The Concept shall define the development goals and measures through which the Fund shall fulfil those goals. The Concept and amendments thereto shall be published by the Fund by a method allowing for remote access.

(5) Measures laid down in the part of the Concept relating to the selective support shall be published by the Fund in the form of 4 Short-term Concepts prepared annually for each of the 4 categories named in Subsection 1(c). These Short-term Concepts shall be published by the Fund by a method allowing for remote access not later than by 30 September for each immediately following calendar year. Distribution of financial funds designated specifically for selective support among the 4 categories in accordance with Subsection 1(c) must comply with the Concept and must ensure the development of each of these categories.

(6) The Fund shall monitor and regularly evaluate whether the providers of on-demand audiovisual media services established in the Czech Republic and providers of on-demand audiovisual media services who are not established in the Czech Republic but target their on-demand audiovisual media service at viewers in the Czech Republic fulfil their obligations specified in Sections 27 and 27a below. A report on the compliance with those obligations shall be presented by the Fund every two years to the European Commission in a manner ensuring that the report shall be available to the European Commission within 2 years after the date when it received the previous similar report from the Fund²⁴).

Division 3

Bodies and Office of the Fund

Section 11

(1) The Fund's bodies are as follows:

- a) the Board of Representatives;
- b) the Supervisory Committee;
- c) the Fund's Council for the provision of support to cinematography;
- d) the Fund's Council for the provision of support to television works;
- e) the Fund's Council for the provision of support to animated audiovisual works and videogames;
- f) the Fund's Council for the provision of support to audiovisual infrastructure (individually a "Council" and jointly the "Councils"); and
- g) the Director of the Fund.

(2) The Fund's Office consists of the Fund's employees. The Fund's Office performs tasks related to the management and organizational, technical and legal arrangements concerning the Fund's activities. In particular, it provides support for the decisions of the Fund's bodies and arranges for the execution of the decisions of those bodies. The Fund's Office further collects, processes and analyses data generated by the Fund's own activities and in the field of audiovision and performs the related analytical and conceptual activity in accordance with Section 10(1)(i), and prepares a draft of the Concept in accordance with Section 10(4) using the data specified in Section 10(1)(i) and the basic materials prepared by the Councils for this purpose.

Section 11a

Board of Representatives

The Board of Representatives

- a) approves the Concept in accordance with Section 10(4), the draft of which is presented by the Fund's Director;
- b) approves the distribution of financial funds earmarked for selective support among the 4 categories set forth in Section 10(1)(c) on the basis of a proposal prepared by the Fund's Director; the distribution of those financial funds must comply with the Concept;
- c) approves the draft of the Statute of the Fund and amendments thereto; and
- d) proposes project assessors to be appointed by the Minister.

Section 11b

Membership of the Board of Representatives

(1) The Board of Representatives has 15 members.

(2) Members of the Board of Representatives include chairmen of the Fund's Councils and 11 members appointed by the Minister.

(3) The Fund presents a call for submission of proposals of candidates for membership in the Board of Representatives.

(4) The Minister appoints 1 member of the Board of Representatives for the Ministry and 1 member of the Board of Representatives nominated by the Minister of Finance.

(5) The Minister appoints

- a) 3 members of the Board of Representatives representing payers of the audiovisual levy under Section 25(a), i.e. 1 member nominated by a legal entity associating operators of film theatres, 1 member nominated by the legal entity associating film distributors and 1 member nominated by the legal entity associating producers of audiovisual works;
- b) 2 members of the Board of Representatives representing payers of the audiovisual levy under Section 25(b), i.e. 1 member nominated by a legal entity associating providers of on-demand audiovisual media services based in the Czech Republic and 1 member nominated by the legal entity associating providers of on-demand audiovisual media services who are not based in the Czech Republic;
- c) 1 member of the Board of Representatives representing payers of the audiovisual levy under Section 25(c) nominated by a legal entity associating operators of television rebroadcasting; and
- d) 1 member of the Board of Representatives representing payers of the audiovisual levy under Section 25(d) nominated by a legal entity associating operators of television broadcasting who operate such broadcasting under a licence granted in accordance with another law³⁴.

(6) The Minister appoints

- a) 1 member of the Board of Representatives nominated by the legal entity associating universities or their faculties involved in the field of audiovisual production; and

b) 1 member of the Board of Representatives nominated by a specialized legal entity in accordance with Section 14(2).

(7) If the legal entity associating payers or persons liable to pay audiovisual levies fails to nominate a candidate for membership in the Board of Representatives in accordance with Subsection 5(a), (b), (c) or (d) or if the legal entity associating universities or their faculties involved in the field of audiovisual production or the legal entity referred to in Subsection 6(a) or (b) fails to nominate such candidate, the member of the Board of Representatives shall be appointed by the Minister without such nomination.

(8) The office term of members of the Board of Representatives appointed by the Minister shall be 5 years.

Section 11c

Requirements for Membership in the Board of Representatives

(1) A natural person may be eligible to become a member of the Board of Representatives if he/she possesses

a) full legal capacity; and

b) integrity; an individual convicted with finality of a premeditated criminal act shall not be considered to have integrity, unless he is looked upon as if he were not convicted.

(2) A member of the Board of Representatives may not hold an office in any political party or political movement, nor may he act in favour of any political party or movement in connection with the performance of his office as member of the Board of Representatives.

(3) Membership in the Board of Representatives shall be incompatible with the office of the President of the Republic, member of the Chamber of Deputies, Senator, member and deputy member of the government, head and deputy head of a central state administration authority, President of the Supreme Audit Office or member of its Advisory Board, member of the Council of the Czech Telecommunication Office, member of the Bank Board of the Czech National Bank, member of the Council for Radio and Television Broadcasting and member of the Czech Television Council. Also, a member of a Council (except for its chairman), a Supervisory Committee member, a member of the Commission for Production Incentives (hereinafter the “Commission”) or a project assessor may not be a member of the Board of Representatives.

(4) Membership in the Board of Representatives shall be incompatible with the basic employment relationship with the Fund.

Section 11d

Deliberations of the Board of Representatives

(1) The Board of Representatives shall elect the chairman and vice-chairman from among its ranks. The chairman shall preside over the activities of the Board of Representatives and shall convene its meetings. The vice-chairman shall substitute for the chairman in the chairman’s absence.

(2) A member of the Board of Representatives shall not be entitled to any remuneration for the exercise of his office.

(3) The Board of Representatives shall be quorate if at least 8 members are present at its meeting. Decisions of the Board of Representatives shall be passed by the majority of votes of the present members.

(4) At a meeting of the Board of Representatives, a member of the Board of Representatives is obliged to disclose his relationship to a matter discussed at the meeting if he/she could obtain a personal benefit or suffer a detriment with regard to the result of review of the matter or is otherwise involved in such matter. This information shall be given orally during the meeting but not later than before the Board of Representatives begins to vote. This information shall always be included in the minutes of the meeting.

(5) The Director of the Fund shall be entitled to participate in meetings of the Board of Representatives.

Section 11e

Termination of the Membership in the Board of Representatives

(1) The membership in the Board of Representatives shall terminate

- a) by the expiry of the term of office;
- b) as of the date of delivery of a written resignation notice of the member of the Board of Representatives to the Minister;
- c) as of the date of delivery to the member of the Board of Representatives of the Minister's decision to recall him from office; or
- d) as of the date when the member of the Board of Representatives ceased to fulfil any of the requirements for membership in the Board of Representatives set forth in Section 11c.

(2) The Minister shall recall a member of the Board of Representatives from his office

- a) if such member of the Board of Representatives has committed an act threatening to affect the confidence in his independence or impartiality in the performance of his office,
- b) if such member of the Board of Representatives has seriously damaged the dignity of the office held by him,
- c) if such member of the Board of Representatives has acted in favour of a political party or political movement in connection with the performance of his office;
- d) upon a proposal of the entity that has proposed the appointment of such member of the Board of Representatives.

(3) A member of the Board of Representatives appointed for the Ministry may be also recalled by the Minister without cause.

Section 12

Director of the Fund

(1) The Director of the Fund shall be appointed⁵⁶⁾ and recalled by the Minister. The office term of the Director of the Fund shall be 6 years. The Director of the Fund shall be appointed by the Minister on the basis of the results of a tender procedure.

(2) The Director of the Fund shall be the head of the Fund, its statutory body and its employee. The Director of the Fund shall be responsible for the management of the Fund's

finances, issues the organizational rules, the rules of approbation and other internal regulations of the Fund and performs tasks associated with organizational, technical and legal aspects of the Fund's activities.

(3) The Director of the Fund shall, in particular:

- a) implement decisions of the Councils to provide selective support;
- b) issue decisions on production incentives and incentivised projects;
- c) issue decisions on granting the co-producer status under Section 53; and
- d) decide on matters not reserved for other bodies of the Fund.

Section 13

The Councils

(1) The Councils shall decide on:

- a) the form of selective support;
- b) support for projects and the amounts thereof;
- c) the demands of an audiovisual work or project, if allowed by its nature, and on the intensity of state support; and
- d) the conditions under which the support is provided and conditions failing which a decision will be taken to withdraw selective support according to Section 40a.

(2) The Council shall be quorate if at least 3 members are present at its meeting. The Council's decisions shall be passed by the majority of votes of the present members. In case of a tie, the chairman's vote shall prevail.

(3) A Council member shall be excluded from deciding on selective support in cases specified in the Administrative Procedure Code or due to his personal interest in the decision or to a personal benefit that may be obtained by him either directly or through a relative or friend. For the quorum purposes, the excluded member of the Council shall be deemed to be absent from the Council's meeting.

(4) If a Council member is excluded from deciding on selective support, he or she must be excluded from deciding on all applications for support under the same subsidy heading submitted in response to one call under Section 33(1).

(5) The Councils provide to the Director of the Fund specialised assistance in the execution of the decisions on selective support issued by them.

Section 14

Composition and Deliberations of the Councils

(1) Each Council shall have 5 members.

(2) Council members shall be elected and dismissed by the Chamber of Deputies upon the proposal of the Minister, and shall be chosen from among recognised and experienced practitioners in the field of audiovision. Proposals for Council members shall be presented via the Fund by specialized legal entities that have been operating for at least 3 years in the field of audiovision, i.e. by legal entities associating solely authors of audiovisual works or works used audiovisually, associations, public benefit organisations, institutes and special-interest

associations of legal entities, with the exception of collective managers of copyright and rights related to copyright, and also by secondary and post-secondary vocational schools with a focus on film, and film universities (hereinafter referred to as “professional organisations”). A call for submission of proposals for Council members shall be announced by the Fund. Proposals for Council members shall be referred by the Fund to the Minister.

(3) The office term of Council members shall be 3 years. One third of members of the Councils shall be elected by the Chamber of Deputies every year.

(4) Each Council shall elect the chairman and vice-chairman from among its ranks. The chairman shall preside over the activities of the Council and convene its meetings. The vice-chairman shall substitute for the chairman in the chairman’s absence.

(5) Being a member of the Council is a public office and the exercise thereof shall be regarded as an impediment to work for reasons of public interest²⁹⁾.

(6) For the performance of his office, a Council member shall be entitled to remuneration determined upon the Minister’s proposal by government resolution. A Council member shall also be entitled to the reimbursement of travel expenses related to the exercise of his office to the same extent as employees, the place of his permanent residence in the Czech Republic being regarded as his regular place of work for the purposes of travel expense reimbursement.

(7) At a Council meeting, a member is obliged to disclose his relationship to a matter discussed at the meeting if he could obtain a personal benefit or suffer a detriment with regard to the result of review of the matter or is otherwise involved in such matter. This information shall be given orally during the meeting but not later than before the Council begins to vote. This information shall always be included in the minutes of the meeting.

(8) The Council member's liability for damage caused by him to the Fund in connection with the exercise of his office and the procedure used by the Fund for the ascertainment of average earnings shall be governed by the Labour Code. For these purposes, the Fund shall be deemed employer and the Council member employee.

Section 15

Requirements for Council Membership

(1) A natural person may be eligible to become a member of a Council if he possesses:

- a) full legal capacity; and
- b) integrity; an individual convicted with finality of a premeditated criminal act shall not be considered to have integrity, unless he is looked upon as if he were not convicted.

(2) A Council member may not hold an office in any political party or political movement, nor may he act in favour of any political party or movement in connection with the performance of his office as Council member.

(3) The Council membership shall be incompatible with the office of the President of the Republic, member of the Chamber of Deputies, Senator, member and deputy member of the government, head and deputy head of a central state administration authority, President of the Supreme Audit Office or member of its Advisory Board, member of the Council of the Czech Telecommunication Office, member of the Bank Board of the Czech National Bank, member of the Council for Radio and Television Broadcasting and member of the Czech Television Council. Also, a member of another Council, a Supervisory Committee member, a member of

the Commission, a project assessor or a member of the Board of Representatives (with the exception of chairman of the Board of Representatives) may not be a member of any Council.

(4) The Council membership shall be incompatible with the basic employment relationship with the Fund.

Section 16

Termination of Council Membership

(1) The Council membership shall terminate:

- a) by the expiration of the term of office;
- b) as of the date of delivery of the Council member's written notice of resignation to the chairman of the Chamber of Deputies;
- c) as of the date of delivery to the Council member of the decision to recall him from office;
- d) as of the date of finality of a court decision to restrict the Council member's legal capacity;
- e) as of the date of finality of a court decision convicting the Council member of a premeditated criminal act; or
- f) as of the date when the Council member has acquired a position as indicated in Section 15(2) or (3) or has become an employee of the Fund.

(2) The Chamber of Deputies shall recall a Council member from his office upon the Minister's proposal if he:

- a) has committed an act threatening to affect the confidence in his independence or impartiality in the performance of his office;
- b) has seriously damaged the dignity of the office held by him;
- c) has acted in favour of a political party or political movement in connection with the exercise of his office as a Council member; or
- d) has not taken part in Council meetings for longer than 3 months.

Section 17

The Supervisory Committee

(1) The Supervisory Committee shall oversee the financial management of the Fund and notify the Director of the Fund of any identified shortcomings.

(2) In carrying out their activities in accordance with Subsection 1 above, members of the Supervisory Committee shall be entitled to inspect all documents and records of the Fund, which are held by the Fund.

(3) The Director of the Fund shall notify the Supervisory Committee by the end of the calendar month following the end of a calendar quarter of the balance of the Fund's income and expenses for such quarter. The Director of the Fund shall present to the Supervisory Committee a draft budget of the Fund.

(4) The Director of the Fund shall present to the Supervisory Committee annual reports of the Fund, its financial statements and auditor's reports before presenting these documents to the government. Contract-awarding documentation for the selection of the

auditor prepared in accordance with the Public Procurement Act shall be prepared by the Director of the Fund in cooperation with the Supervisory Committee.

(5) A Supervisory Committee member shall be excluded from discussing and voting on a matter and the provisions of Subsection 2 shall not be applied in the event of his personal involvement in the matter being considered when he/she may obtain personal benefit either directly or through a relative or friend in connection with the matter being considered or with access to the documents and records in accordance with Subsection 2 above.

Section 18

Composition of and Deliberations of the Supervisory Committee

(1) The Supervisory Committee shall have 9 members appointed by the government upon the Minister's proposal, i.e. 2 members for the Ministry, 2 members for the Ministry of Finance and 5 members for payers and persons liable to pay audiovisual levies.

(2) Proposals for the Supervisory Committee members shall be presented on the basis of a call announced by the Fund by legal entities associating payers or persons liable to pay audiovisual levies. The proposals shall be then presented by the Fund to the Minister.

(3) The Supervisory Committee members' term of office shall be 3 years.

(4) The Supervisory Committee shall elect the chairman and vice-chairman from among its ranks every year.

(5) The chairman shall direct the activities of the Supervisory Committee and convene its meetings, which shall be held at least once every calendar quarter. The vice-chairman shall substitute for the chairman in the chairman's absence.

(6) A Supervisory Committee member shall not be entitled to remuneration for the performance of his office.

(7) The Supervisory Committee shall be quorate if at least 5 members are present at its meeting. The Supervisory Committee's decisions shall be passed by the majority of votes, unless otherwise provided. The voting shall be repeated not more than twice in the case of a tie and the proposal shall be deemed unaccepted if no decision is reached after such repeated voting.

(8) At a Supervisory Committee meeting, a member of the Supervisory Committee is obliged to disclose his relationship to a matter discussed at the meeting if he could obtain a personal benefit or suffer a detriment with regard to the result of review of the matter or is otherwise involved in such matter. This information shall be given orally during the meeting but not later than before the Supervisory Committee begins to vote. This information shall always be included in the minutes of the meeting.

Section 19

Requirements for Supervisory Committee Membership

(1) A natural person may be eligible to become a member of the Supervisory Committee if he possesses:

- a) full legal capacity,
- b) integrity; an individual convicted with finality of a premeditated criminal act shall not be considered to have integrity, unless he is looked upon as if he were not convicted.

(2) A Supervisory Committee member may not hold any office in any political party or political movements, nor may he act in favour of any political party or movement in connection with the performance of his office as Supervisory Committee member.

(3) Supervisory Committee membership shall be incompatible with the office of the President of the Republic, member of the Chamber of Deputies, Senator, member and deputy member of the government, head and deputy head of a central state administration authority, President of the Supreme Audit Office or member of its Advisory Board, member of the Council of the Czech Telecommunication Office, member of the Bank Board of the Czech National Bank, member of the Council for Radio and Television Broadcasting and member of the Czech Television Council. Also, a member of the Board of Representatives, a member of another Council, of the Commission or an project assessor may not be a Supervisory Committee member.

(4) Supervisory Committee membership shall be incompatible with the basic employment relationship with the Fund.

Section 20

Termination of Supervisory Committee Membership

(1) The Supervisory Committee membership shall terminate:

- a) by the expiry of the term of office;
- b) as of the date of delivery of the Supervisory Committee member's written announcement of resignation to the person entitled to appoint him to the office;
- c) as of the date of delivery to the Supervisory Committee member of the decision to recall him from office;
- d) as of the date of finality of a court decision to restrict the Supervisory Committee member's legal capacity;
- e) as of the date of finality of a court decision convicting the Supervisory Committee member of a premeditated criminal act;
- f) as of the date when the Supervisory Committee member acquires a position indicated in Section 19(2) or (3) or becomes an employee of the Fund; or
- g) as of the date of termination of the legal existence of the payer of, the person liable to pay or the legal entity associating payers or persons liable to pay the audiovisual levy that nominated him for appointment to Supervisory Committee membership.

(2) Based on a proposal of the Minister, the government shall recall the Supervisory Committee member from his office if:

- a) the Supervisory Committee member has committed an act threatening to affect the confidence in his independence or impartiality in the performance of his office;
- b) the Supervisory Committee member has seriously damaged the dignity of the office held by him,
- c) the Supervisory Committee member has acted in favour of a political party or political movement in connection with the performance of his office as a Supervisory Committee member,

- d) the Supervisory Committee member has not taken part in Supervisory Committee meetings for longer than 6 months, or
- e) the recalling has been proposed and substantiated by the payer of, the person liable to pay or the legal entity associating payers or persons liable to pay, the audiovisual levy, upon whose nomination the Supervisory Committee member was appointed.

Division 4

Project Assessors and the Creative and the Realization Test

Section 21

(1) Project assessors are selected on the basis of a call announced by the Fund from among the ranks of recognized practitioners in the a sphere, who are proposed by professional organizations.

(2) A natural person may be eligible to be a project assessor if he/she:

- a) has full legal capacity,
- b) has integrity; an individual convicted with finality of a premeditated criminal act shall not be considered to have integrity, unless he is looked upon as if he were not convicted, and
- c) has not been recalled from the position of a project assessor during the last 3 years.

(3) The position of a project assessor shall be incompatible with membership in the Board of Representatives, in a Council, in the Supervisory Committee, with membership in the Council of the Czech Telecommunication Office, membership in the Council for Radio and Television Broadcasting and membership in the Council of the Czech Television.

(4) The position of a project assessor shall be incompatible with the basic employment relationship with the Fund.

(5) Project assessors shall be appointed by the Minister on the basis of proposals presented by the Board of Representatives.

(6) A project assessor is a public official in accordance with the Administrative Procedure Code³¹.

Section 22

(1) The Fund shall prepare a public list of appointed project assessors. This list shall be accessible in a manner allowing for remote access.

(2) The position of a project assessor shall terminate:

- a) as of the date of delivery of the project assessor's written notice of resignation to the Minister,
- b) as of the date of delivery to the project assessor of the decision to remove him from his position,
- c) as of the date of finality of a court decision to restrict the project assessor's legal capacity,
- d) as of the date of finality of a court decision convicting the project assessor of a premeditated criminal act, or
- e) as of the date when the project assessor has acquired a position as indicated in Section 21(3) or has become an employee of the Fund.

(3) The Minister shall recall an project assessor from his position upon a proposal of the Board of Representatives , if:

- a) the project assessor has committed an act threatening to affect the confidence in his independence or impartiality in the performance of his office,
- b) the project assessor has seriously damaged the dignity of the office held by him,
- c) the project assessor has acted in favour of a political party or political movement in connection with the performance of his office as a project assessor, or
- d) the project assessor has repeatedly failed to properly discharge his duties.

(4) If a project assessor's office has been terminated or the project assessor has been dismissed, the Fund shall strike out his name from the list referred to in Subsection 1.

Section 23

(1) For each call for submission of applications for selective support, the Councils shall select on the basis of the list of project assessors compiled in accordance with Section 22(1) above a group of project assessors, which shall consist of at least 3 members and 3 substitute members.

(2) A project assessor who participates in any way in the realization of the project presented in the relevant call is not eligible to become a member of the group of project assessors who assess the applications for selective support filed on the basis of such call.

(3) The group of project assessors shall assess applications filed on the basis of one call by means of the creative and the realization test. The purpose of the assessment prepared by the group of project assessors is to produce for the Council and for the applicant a qualified written assessment of the project that is the subject of the application for selective support.

(4) The assessment criteria in the creative and the realization test are as follows:

- a) creative criteria, particularly those concerning the content, creativity, artistic and cultural intent of the project, the strategy or concept for release or exploitation of the project; and
- b) realization criteria, particularly those concerning project financing, the production team, the applicant's professional career, equal opportunities, environmental sustainability and social impacts of the project.

Part 2

Financial Management of the Fund

Section 24

Sources of Income

(1) The Fund's financial resources include, without being limited to:

- a) audiovisual levies, including appurtenances;
- b) income from fines for administrative offences;
- c) administrative fees for acts performed by the Fund;
- d) income from the Fund's agreed share in the profit generated by supported projects;

- e) income from transactions with the property of the Czech Republic which the Fund is entitled to manage;
- f) income from the investments of the Czech Republic in legal entities' businesses in the film industry, which investments the Fund is entitled to manage;
- g) income from public fund-raising campaigns for the benefit of the Fund and of selective support;
- h) income from the use of cinematographic works, if transferred to the Fund;
- i) income from the use of cinematographic works for which the Fund exercises the producer's copyright, which has passed to it on the basis of another legal regulation and for which the Fund is treated as their producer¹⁷⁾;
- j) income from securities acquired by the Fund from other persons and entities;
- k) gifts, legacies and devises for the Fund;
- l) fines for breaches of budgetary discipline³²⁾, including penalties;
- m) subsidies from the state budget;
- n) subsidy provided from the state budget every year, specifically intended for production incentives, whose amount and calculation are specified in Section 24a;
- o) subsidy provided from the state budget every year, specifically intended for selective support, whose amount and calculation are specified in Section 24a, and
- p) subsidy provided from the state budget every year, specifically intended for tasks and activities of the Fund performed under Section 10 and for the Fund's operation, whose amount and calculation are specified in Section 24a;
- q) the annual income in the amount equal to 25% of the revenue from levies on cinematographic performances, specifically intended for tasks and activities of the Fund performed under Section 10 and for the Fund's operation, but not more than CZK 10,000,000; and
- r) other resources specified by other laws³³⁾.

(2) The balance of the Fund's financial resources at the end of the calendar year shall be kept by the Fund on its current account and sub-accounts and shall be carried forward to the next calendar year; the balance of the Fund's resources under Subsection 1(m) through (o) can be used in subsequent years solely for the purpose for which the subsidy has been provided; these subsidies are subject to financial settlement in accordance with the conditions specified in the decision on their allocation.

(3) The Fund sets up and maintains a Fund for Cultural and Social Needs. Provisions of a special law shall be applied *mutatis mutandis*⁴⁷⁾ to its formation and financial management.

Section 24a

(1) The subsidy provided from the state budget under Section 24(1)(m) shall be provided to the Fund in the amount approved by the Ministry on the basis of an application for subsidy.

(2) The minimum amount of the subsidy for production incentives provided every year under Section 24(1)(n) shall be equal to six times the Fund's income from audiovisual

levies in the calendar year preceding the calendar year in which the Fund's budget for the next calendar year is prepared.

(3) The minimum amount of the subsidy for selective support provided every year under Section 24(1)(o) shall be equal to the Fund's income from audiovisual levies in the calendar year preceding the calendar year in which the Fund's budget for the next calendar year is prepared.

(4) The minimum amount of the subsidy provided every year for the Fund's tasks and activities' under Section 10 and for its operation under Section 24(1) shall be equal to any deficit balance between the Fund's income reduced by the Fund's income specified in Section 24(1)(a),(i) and (l) to (p), and the Fund's expenses reduced by the Fund's expenses specified in Section 24b1(a) and (b) in the calendar year preceding the calendar year in which the Fund's budget for the next calendar year is prepared..

(5) The Fund's annual financial statements are used as a basis for the determination of the amounts specified in Subsections 2 to 4 above.

(6) The part of the income from audiovisual levies equal to the partial levy from unrealised direct investment shall be disregarded for the purpose of Subsections 2 and 3.

(7) The application for subsidies under Subsections 1 to (4) shall not include information specified in Section 14(3)(d) to (g) of the Budgetary Rules.

Section 24b

The Fund's Expenses

Financial funds of the Fund shall be used for

- a) selective support;
- b) production incentives;
- c) authors' royalties for the use of cinematographic works in respect of which the Fund exercises the producer's copyright that has passed to the Fund under another law and with respect to which the Fund is considered as their producer¹⁷⁾;
- d) expenses relating to the remuneration of members of the Councils, the Commission and of the project assessors; and
- e) the Fund's tasks and activities specified in Section 10 and for the Fund's operation.

Section 24c

(1) The Fund shall prepare a draft budget and a draft medium-term outlook to the extent and within the time limits determined for the preparation of the draft state budget and the draft medium-term outlook of the state budget.

(2) The Minister shall present the draft budget and the draft medium-term outlook of the Fund to the government by 31 August. The government shall present the approved draft budget of the Fund to the Chamber of Deputies for approval together with the draft state budget.

(3) If the Chamber of Deputies does not approve the Fund's budget for the relevant budget year before the first day of the budget year, the budgeting of the Fund in the period from the first day of the budget year until the date of approval of the budget for such year

shall be governed *mutatis mutandis* by the provisional budget rules specified in Section 9 of the Budgetary Rules.

(4) The Fund's financial statements and annual report must be audited before their presentation to the Chamber of Deputies.

Division 3

Audiovisual Levies

Section 25

Definition of Audiovisual Levies

Audiovisual levies shall include:

- a) the levy on cinematographic performances;
- b) the levy on the provision of on-demand audiovisual media services;
- c) the television rebroadcasting levy; and
- d) the broadcast advertising levy.

(2) If the same revenue or income is generated at least partly by more than one levy under Subsection 1(b) to (d), such revenue or income shall be divided for the purpose of audiovisual levies into separate parts corresponding to the definition of the subject of each such levy.

(3) A payer or person liable to pay the levy who generates any revenue or income that constitute at least partly the subject of more than one levy under Subsection (b) to (d) shall introduce principles under which they shall handle this revenue and income in accordance with Subsection 2, and shall be obliged to record such principles in written form specifying the date of their introduction and the date (if any) when they have been replaced by other principles.

Section 26

Levy on Cinematographic Performance

(1) The organiser of a cinematographic performance shall be the payer of the levy on cinematographic performance.

(2) The levy on cinematographic performance shall be charged on the admission fee for the public presentation of the cinematographic work. For the purposes of this Act, admission fee shall mean the amount of money paid by the participant of the event for the opportunity to take part in it.

(3) The base for calculating the levy on cinematographic performance shall be the admission fee (not including the levy on cinematographic performance) paid for the release of the cinematographic work to the public. The payer of the levy on cinematographic performance shall include the levy on cinematographic performance into the admission fee.

(4) The rate of the levy on cinematographic performance shall be 2%.

(5) The payer of the levy on cinematographic performance shall maintain records for purposes related to the levy. These records shall comprise all data concerning the obligation to pay the levy, including, but not limited to:

- a) the name of the audiovisual work and the date when the cinematographic performance takes place;
- b) the number of viewers of the cinematographic performance and the amount of admission fee collected for the organisation of the cinematographic performance.

Section 27

Levy on the Provision of On-demand Audiovisual Media Services

(1) The person liable to pay the levy on the provision of an on-demand audiovisual media service shall be an on-demand audiovisual media service provider⁷⁾ that is

- a) established in the Czech Republic; or
- b) not established in the Czech Republic if it targets the on-demand audiovisual media service to end users in the Czech Republic.

(2) Persons that operate television broadcasting by law shall not be liable to pay the levy on the provision of audiovisual media services.

(3) The levy for the provision of on-demand audiovisual media services shall be charged on the revenue from

- a) on-demand audiovisual media services in the Czech Republic; and
- b) audiovisual commercial messages⁵⁷⁾ displayed to end users in the Czech Republic in connection with the provision of on-demand audiovisual media services in the Czech Republic; the subject of the levy under this clause shall not include the revenue from an audiovisual commercial message that is not directly related to the viewing of the program which constitutes the content of the on-demand audiovisual media service.

(4) Providers of on-demand audiovisual media services with a low turnover and providers of on-demand audiovisual media services with a low audience shall be exempt from the levy on the provision of on-demand audiovisual media services. The fulfilment of the conditions of low turnover and low audience shall be assessed in accordance with the guidelines issued by the European Commission, which shall be published by the Fund on its website in the wording published in the Official Journal of the European Union⁵⁸⁾. Providers of on-demand audiovisual media services whose services contain a negligible number or none of the audiovisual works that may become the object of selective support or production incentives may be also exempt from the duty to pay the levy on the provision of on-demand audiovisual media services. The person liable to payment of the levy shall assert its claim for exemption in his declaration of the levy.

(5) Providers of thematically exceptional on-demand audiovisual media services are shall also be exempt from the levy on the provision of on-demand audiovisual media services. Details about the fulfilment of the condition concerning the existence of a thematically exceptional on-demand audiovisual media service shall be specified in the Fund's Statute. The person liable to pay the levy shall assert its claim for exemption from the levy in its declaration.

- (6) The levy on the provision of on-demand audiovisual media services shall consist of
- a) a partial levy based on the sum of prices; and

b) a partial levy based on an unrealised direct investment,

(7) The base of the partial levy based on the sum of prices shall consist of

a) the sum of prices paid by the end user to the provider of on-demand audiovisual media services for

1. one-time provision of the service which includes the making available of an audiovisual work; or

2. an on-demand audiovisual media service provided in a manner other than by a one-time making available of the work, notwithstanding the technological nature of the service and including also all forms of subscription if the service includes the release of at least one audiovisual work; and

b) the sum of prices agreed between the provider of the on-demand audiovisual media service with the party ordering the production of an audiovisual commercial message that is displayed together with the provision of the on-demand audiovisual media service.

(8) The rate of the partial levy based on the sum of prices shall be 2%.

(9) The partial levy based on the sum of prices may be reduced by a discount for direct investment, up to a maximum of 50% of this partial levy. Such discount for direct investment may be claimed by the person liable to pay the levy on the provision of on-demand audiovisual media services up to the amount equal to the sum of complementary direct investments realized in the calendar year corresponding to the period of collection of the levy. The decision of the person liable to pay the levy whether to claim or not and the amount of the claimed discount may not be changed retroactively.

(10) The entitlement to the discount may be asserted in the form of a conditional discount. If the person liable to pay the levy fails to claim in time the discount for direct investment in the form of conditional discount in a timely additional declaration of the levy the entitlement to the discount shall cease to exist from the outset.

(11) The partial levy for unrealized direct investment amounts to the positive difference between

a) 1.5% of the base of the partial levy based on the sum of prices; and

b) the sum of the asserted basic direct investments.

(12) The levy for the provision of on-demand audiovisual media services shall be calculated as the sum of the partial levies. The partial levy based on the sum of prices shall amount to a positive difference between

a) the product of the base and the rate of the levy; and

b) the discount for direct investment.

Section 27a

Direct Investment

(1) For the purposes of this Act, a direct investment means an expense paid by a provider of the on-demand audiovisual media service that is a person liable to pay the levy on the provision of on-demand audiovisual media services and that is not fully exempt from such levy, in respect of

a) the acquisition of the right to use in the original Czech language the audiovisual work in the original language version;

b) the production of

1. an audiovisual work in the original language version in the Czech language version;
2. a Czech language version of a foreign audiovisual work; or
3. a foreign language version of a Czech audiovisual work.

(2) A nonmonetary expense is not deemed direct investment under Subsection 1.

(3) Where the provider of an on-demand audiovisual media service under Subsection 1 incurs only partly an expense for the purposes referred to in Subsection 1, the direct investment shall only consist of a part of the expense incurred for the purposes specified in Subsection 1.

(4) A direct investment claimed for the relevant calendar year is a direct investment that

a) is claimed by the provider of an on-demand audiovisual media service in accordance with Subsection 1 in relation to such calendar year;

b) is not claimed by the provider of an on-demand audiovisual media service in accordance with Subsection 1 in relation to another calendar year; and

c) has been actually paid by the provider of an on-demand audiovisual media service in accordance with Subsection 1 at the earliest in that calendar year and at the latest in the second calendar year immediately following such calendar year.

(5) A direct investment may be divided into parts which shall be claimed by the provider of the on-demand audiovisual media service under Subsection 1 using the procedure described in Subsection 4 in relation to more than one calendar year. The sum of such claimed direct investments may not exceed the amount of such direct investment.

(6) A direct investment incurred by more than one person may only be claimed by one of them. The same applies to a part of the direct investment referred to in Subsection 5.

(7) Only the direct investments that cumulatively meets the following conditions may be claimed for the relevant calendar year:

a) at least 50% of the total sum of such claimed direct investments have been spent on:

1. of the acquisition of rights to use audiovisual works created by producers or co-producers that meet the condition stipulated in Section 39(1)(b) and who are tax residents of the Czech Republic under the Income Taxes Act, or who are tax non-residents of the Czech Republic under the Income Taxes Act but have a permanent establishment in the territory of the Czech Republic and are at the same time tax residents of another Member State of the European Union or of a state forming the European Economic Area under the applicable laws of such states; or
2. the production of audiovisual works whose co-producer is a person that meets the condition stipulated in Section 39(1)(b) and that is a tax resident of the Czech Republic under the Income Taxes Act, or that is a tax non-resident of the Czech Republic under the Income Taxes Act but has a permanent establishment in the territory of the Czech Republic and is at the same time a tax resident of another Member State of the European Union or of a state forming the European Economic Area under the applicable laws of such states; and

b) no more than 10% of the total sum of direct investments claimed for such calendar year, less the direct investments specified in clause a), have been spent for purpose of the production of language versions under Subsection 1(b)(2) or (3).

(8) The total sum of basic direct investments claimed for the relevant calendar year means, for the purposes of this Act, the sum of direct investments claimed for such year up to a maximum of 1.5% of the base of the partial levy based on the sum of prices for such calendar year.

(9) The sum total of supplementary direct investments claimed for the relevant calendar year means, for the purposes of this Act, the positive difference between

a) the sum of direct investments claimed for such calendar year; and

b) the sum of the basic direct investments claimed.

(10) If the sum total of direct investments claimed for the relevant calendar year does not meet any one of the conditions specified in Subsection 7, such sum shall be reduced for the purposes of Subsections 8 and 9 to such an extent that the conditions specified in Subsection 7 may be met.

Section 27b

Administration of the Levy on the Provision of On-demand Audiovisual Media Services

(1) The person liable to pay the levy shall state in the declaration of the levy

a) the expected sum of the basic direct investments claimed; or

b) the sum of actually spent basic direct investments claimed that have not been realized.

(2) Where the person liable to pay the levy claims a direct investment discount as a conditional discount, the person shall state in the declaration of the levy the expected sum of supplementary direct investments claimed.

(3) Where the person liable to pay the levy specifies in the declaration of the levy the envisaged sum under Subsection 1(a) or Subsection 2, the levy shall be calculated on the basis of such envisaged sums. This shall not apply if the tax administrator has specific doubts which have not been removed by the procedure used in the removal of doubts or by a tax audit. The person liable to pay the levy shall be obliged to file an additional declaration of the levy where it shall state the levy calculated on the basis of the direct investment actually realized, no later than by the end of the time limit for submission of the declaration of the levy for the second period of collection of the levy following immediately the period for which the regular declaration is filed. In such a case, the time limit for the determination of the levy shall run from the submission date of such additional fee declaration and shall end not later than 10 years after such date. An additional declaration for an audiovisual levy lower than the last known levy may not be filed after the expiration of 9 years from that date.

(4) The person liable to pay the levy on the provision of on-demand audiovisual media services shall maintain records together with underlying information and documents required for such records, which shall contain at least the following data:

a) the number of end users to whom the on-demand audiovisual media service is being provided;

b) the total price that has been paid by each end user for the provision of the on-demand audiovisual media service; and

- c) the expenses incurred by the person liable to pay the levy in connection with direct investments in accordance with Section 27a in the form of a statement of account and the sum of costs of suppliers who have realized the direct investment for the person liable to pay the levy.

(5) In cases where an audiovisual commercial message is displayed together with the provision of the on-demand audiovisual media service

the revenue of which is subject to the levy on the provision of the on-demand audiovisual media service, the person liable to pay the levy shall be obliged to keep in the records maintained for the purposes of the levy information related to the person's obligation to pay the levy, namely

- a) the date of provision of the media space for the audiovisual commercial message;
- b) the name and surname of the person or the name of the entity to which the person liable to pay the levy provides the media space for the audiovisual commercial message;
- c) the tax identification number of the person to whom the person liable to pay the levy provides the media space for the audiovisual commercial message;
- d) the total monetary value of the media space for the audiovisual commercial message that has been provided as of the date specified under clause a) for the period of collection of the levy; and
- e) the amount of the levy calculated for the period.

Section 28

Television Rebroadcasting Levy

(1) Payers of the television rebroadcasting levy shall be all persons who operate rebroadcasting on the basis of registration under another law³⁴⁾.

(2) The television rebroadcasting levy shall be charged on the price for the provision of television rebroadcasting.

(3) The base for calculating the television rebroadcasting levy shall be the price (reduced by the television rebroadcasting levy) paid to the payer of the television rebroadcasting levy for his provision of television rebroadcasting. The payer of the television rebroadcasting levy shall include the television rebroadcasting levy in the price for the provision of television rebroadcasting.

(4) The rate of the television rebroadcasting fee shall be 2%.

(5) The payer of the television rebroadcasting levy shall maintain records for purposes related to the levy. These records shall comprise any data concerning the obligation to pay the levy, including, but not limited to, the information about the number of persons to whom the television rebroadcasting is provided and the amount of the price they have paid for the provision of the television rebroadcasting.

Section 28a

Broadcast Advertising Levy

(1) The person liable to pay the broadcast advertising levy shall be a television broadcaster other than local or regional, whose broadcasting is not protected by conditional

access and who operates a broadcasting business under a broadcasting licence via transmitters or via a special transmission system under a licence granted under another law³⁴⁾, and who broadcasts a programme that also comprises audiovisual works.

(2) The broadcast advertising levy is payable on the income from broadcast advertising.

(3) A television broadcasting operator under Subsection 1 shall be exempt from the broadcast advertising levy if the broadcasted program contains a negligible number or none of audiovisual works that may become the subject of selective support or production incentives under this Act. The person liable to pay the levy shall assert the claim for exemption in the declaration of the levy.

(4) The broadcast advertising levy is based on:

- a) the revenue from broadcast advertising in the case of a liable person who is an accounting entity,
- b) the income from broadcast advertising in the case of a liable person who is not an accounting entity.

(5) If the person liable to pay the levy generates revenue or income from indirect sale of air time through third parties that are, under the Income Taxes Act, related to the person liable to pay the levy and are not end users of the air time, the revenue or income included in the base for the calculation of the levy shall consist, instead of the above revenue or income, of the revenue or income that would be generated by the person liable to pay the levy in case of direct sale of such air time.

(6) The rate of the broadcast advertising levy shall be 2%.

(7) The person liable to pay the broadcast advertising levy shall keep records for purposes related to the levy, including data concerning such a liable person's liability to pay the levy, i.e.:

- a) the date when air time for the advertising was provided;
- b) the name of the person to whom air time is provided by the person liable to pay the levy;
- c) the tax identification number of the person to whom air time is provided by the person liable to pay the levy;
- d) the total financial value of the air time provided for advertising as at the date referred to in Section 28a(7)(a) for the period of collection of the levy;
- e) the amount of the fee calculated for the period of collection of the levy.

The wording of Section 28b effective until 31 December 2028

Section 28b

Topping up the Broadcast Advertising Levy

(1) In the event that the revenue from the broadcast advertising levy is less than CZK 150,000,000, the levy shall be increased to top up the broadcast advertising levy, the topping up amount being calculated as the product of:

- a) the difference between the amount of CZK 150,000,000 and the sum of the levies on broadcast advertising paid by all persons liable to pay the levy and
- b) a coefficient.

(2) The coefficient shall be calculated as the quotient of the broadcast advertising levy paid by the person liable to pay the levy and the sum of the levies on broadcast advertising paid by all persons liable to pay the levy.

(3) The amount topping up the broadcast advertising levy shall be treated as appurtenant to the levy.

The wording of Section 28 effective from 1 January 2029 until 31 December 2032

Section 28b

Topping-up the Broadcast Advertising Levy

(1) In the event that the revenue from the broadcast advertising levy is less than CZK 120,000,000, the levy shall be increased to top up the broadcast advertising levy, the topping up amount being calculated as the product of:

- a) the difference between the amount of CZK 120,000,000 and the sum of the levies on broadcast advertising paid by all persons liable to pay the levy and
- b) a coefficient.

(2) The coefficient shall be calculated as the quotient of the broadcast advertising levy paid by the person liable to pay the levy and the sum of the levies on broadcast advertising paid by all persons liable to pay the levy.

(3) The amount topping up the broadcast advertising levy shall be treated as appurtenant to the levy.

The wording of Section 28b effective from 1 January 2033 to 31 December 2034:

Section 28b

Topping-up the Broadcast Advertising Levy

(1) In the event that the revenue from the broadcast advertising levy is less than CZK 80,000,000, the levy shall be increased to top up the broadcast advertising levy, the topping up amount being calculated as the product of:

- a) -the difference between the amount of CZK 80,000,000 and the sum of the levies on broadcast advertising paid by all persons liable to pay the levy and
- b) a coefficient.

(2) The coefficient shall be calculated as the quotient of the broadcast advertising levy paid by the person liable to pay the levy and the sum of the levies on broadcast advertising paid by all persons liable to pay the levy.

(3) The amount topping up the broadcast advertising levy shall be treated as appurtenant to the levy.

The wording of Section 28b effective from 1 January 2035:

Section 28b

Repealed

The wording of Section 28c effective until 31 December 2034:

Section 28c

Determination and Payment of the Amount to Top up the Broadcast Advertising Levy

(1) The administrator of the levy shall assess the additional amount to top up the broadcast advertising levy, using a payment assessment document serving for the assessment of the levy.

(2) The additional amount topping up the broadcast advertising levy shall be payable and paid within 30 days of the date of delivery of the payment assessment document.

(3) Should the administrator of the levy assess an additional amount of the broadcast advertising levy, such an additional amount topping up the levy shall be so assessed *ex officio* for all persons liable to pay the broadcast advertising levy. Should the amount additionally assessed to top up the broadcast advertising levy be greater than the last determined topping up amount, the difference shall be payable and paid within 30 days of the date of delivery of the additional payment assessment document.

The wording of Section 28c effective from 1 January 2034

Section 28c

Repealed

Section 29

Joint Provisions Concerning Audiovisual Levies

(1) The value added tax shall not be included in the base of the audiovisual levy.

(2) The base of the audiovisual levy shall be rounded upwards to whole crowns.

(3) The audiovisual levy shall be calculated as the product of the base of the audiovisual levy and the charge rate.

(4) The period for collection of the audiovisual levies shall be one calendar year.

(5) The payer of, or person liable to pay, the audiovisual levy shall submit a declaration of the levy electronically through the agenda management system. The period for submission of the declaration may not be extended.

(6) The decree referred to in Section 72(4) and (5) of the Taxation Code shall be issued by the Ministry.

(7) Revenue from the audiovisual levy shall constitute an income of the Fund. The Fund shall be the administrator of this levy.

Section 29a

Self-assessment and Additional Self-assessment of Audiovisual Levies

(1) The audiovisual levy asserted by the payer or person liable to pay the levy in the declaration of the levy shall be deemed assessed as of the expiration date of the time limit for submission of the declaration in the amount asserted therein.

(2) If the payer or the person liable to pay the levy fails to submit the declaration of the levy within the time limit specified in the law, the levy referred to in this Part shall be deemed asserted in the amount of CZK 0; the fine for late assertion of the levy shall not be applied.

(3) The audiovisual levy asserted by the payer or person liable to pay the levy in an additional declaration shall be deemed additionally assessed as of the submission date of the additional declaration in the amount of the asserted difference from the last known levy; this shall not apply if the additional declaration has been filed in the course of the additional assessment proceedings initiated *ex officio*.

(4) The date of ascertainment of the difference compared with the last known levy under this Part shall not be stated in the additional declaration.

(5) The audiovisual levy assessed in accordance with Subsection 1 or the difference assessed additionally in accordance with Subsection 3 shall be stated by the administrator of the levies in the register of levies.

(6) The audiovisual levy may also be additionally assessed *ex officio* in cases where the administrator of the levies finds out by means of the procedure for removal of doubts that the last known amount of the levy is incorrect.

(7) An additional declaration for a levy lower than the last known levy may not be submitted after the expiration of 9 years from the start of the determination of the period for collection of the levy.

(8) The time limit for payment of arrears of the amount of audiovisual levy that is to be paid on the basis of an additional declaration shall start as of the date of the additional assessment of such levy based on such additional declaration.

Part 4

Agenda Management System

Section 30

Provision of Services of the Fund's Agenda Management System

(1) The agenda management system serves for the exercise of the Fund's authority, contains data generated or used in the exercise of the Fund's authority or in the management and operation of the agenda management system, and for remote access and provision of digital services by the Fund.

(2) The agenda management system allows for

- a) filing of submissions and performance of other acts relating to the selective support and provision of production incentives;
- b) submission of declarations of levies and performance of other acts relating to the administration of audiovisual levies;
- c) presentation of proposals for members of the Board of Representatives, the Councils, the Supervisory Committee and the Commission and performance of other acts relating to such proposals;
- d) presentation of proposals for project assessors and performance of other acts relating to such proposals;

- e) filing of submissions and performance of other acts relating to the granting of the co-production status; and
- f) delivery of decisions and other documents in the proceedings on the provision of selective support and in the proceedings on production incentives, notices of change, documents relating to the submission of proposals for members of the Board of Representatives, the Councils, the Supervisory Committee and the Commission, for the project assessors and for the performance of other acts relating to such proposals, and other documents that form part of the performance of the Fund's activities in accordance with Section 10(1)(a) to (c), (f) and (g) of this Act.

(3) Submissions and acts specified in Subsection 2 may be made solely through the agenda management system unless excluded by the nature of the relevant act or by the law. Submissions and other acts that must be performed under this Act through the agenda management system but have been made in another form shall be disregarded.

(4) Acts performed through the agenda management system that do not constitute submissions under the Administrative Procedure Code or under the Taxation Code, or submissions in respect of which this Act does not specify that they are to be performed through the agenda management system shall be disregarded unless stipulated otherwise by this Act.

(5) A person presenting submissions and performing other acts in accordance with Subsection 2 through the agenda management system (hereinafter the “user”) shall present such submissions and perform other acts after logging in the agenda management system with the use of electronic identification data or of access data allocated by the Fund upon the user's request and of other than electronic identification if the user is a person who does not have in his possession electronic means of access to a data box or any other means of electronic identification. If there is no form available for submissions or other acts and if no required data format has been set, the user may file submissions or perform other acts in the agenda management system at his own discretion in any output data format specified in the law regulating the archival science and filing service.

(6) An act performed through the agenda management system shall have the same effects as an act performed in writing and signed.

(7) All notices and other documents referred to in Subsection 2 shall be delivered to the user through the agenda management system. The Fund shall notify the user of the dispatch of the relevant notice or document together with the dispatch thereof by a message sent to the electronic address set up by the user in the user interface of the agenda management system.

(8) A notice or other document delivered to the user through the agenda management system shall be deemed delivered at the moment when the user or a person authorised by the user who has access to such document within the scope of his authorization in the agenda management system logs in the agenda management system.

(9) If the user or a person authorized by the user under Subsection 8 does not log in the agenda management system within 10 days after the input of the document into the agenda management system, or within 5 days from such date in case of acts related to the provision of the selective support and the provision of production incentives, such document shall be deemed delivered on the last day of such time limit.

Part 5
Provision of Selective Support
Division 1
General Provisions on Selective Support

Section 31

Selective Support Categories and Subsidy Areas

(1) The selective support provided by the Fund in accordance with Section 32 below may be provided for the realization of projects in the following areas:

- a) development of a Czech audiovisual work,
- b) production of a Czech audiovisual work,
- c) distribution of an audiovisual work,
- d) project in the field of technical development and audiovisual innovation;
- e) audiovisual promotion,
- f) audiovisual publishing activities and activities in the field of film science,
- g) preserving the national film heritage and making it accessible to the public,
- h) education and training in the field of audiovisual media and studies,
- i) festivals, conferences and shows in the field of audiovisual media and studies, or
- j) protection of rights to audiovisual works and their recordings.

(2) If the selective support cannot be provided under the conditions determined by the directly applicable regulation of the European Union which declares certain support categories compatible with the internal market⁵⁹⁾, the selective support shall only be provided after the consent of the European Commission with the provision of the support and subject to the conditions determined by the European Commission⁰⁾.

Section 32

Form of the Selective Support

(1) The money from the Fund intended for the selective support shall be provided in the form of subsidies or profit-sharing subsidies. Support to videogames shall be always provided in the form of a profit-sharing subsidy.

(2) In the case of profit-sharing subsidies the money so provided shall be non-repayable but the decision on the provision of support shall contain the Fund's share of the income from the project.

Division 2

Application for Selective Support

Section 33

Call for Submission of Applications for Selective Support

(1) On the basis of the Concept, the Fund shall issue calls for submission of applications for selective support.

(2) The information to be contained in the call shall include the period for submission of applications for selective support, which shall not be shorter than 30 days from the announcement of the call, and the enumeration of the subsidy headings (from among those referred to in Section 31) to which the call applies.

Section 34

Application for Selective Support

(1) An application for selective support shall be submitted within the period referred to in Section 33(2) above. Any application submitted after this period shall be disregarded by the Fund.

(2) A receipt of payment of administrative fee shall be attached as a part of the application for selective support.

(3) An application for selective support shall contain the following:

- a) the name of the project for which the applicant requests support,
- b) the total amount of the planned budget,
- c) the form of selective support requested by the applicant, and the amount thereof; if the applicant requests only a certain specific form of selective support, it shall be expressly stated in the application,
- d) number of the applicant's bank account.

(4) The application for selective support shall include documents attesting that the applicant has fulfilled the prerequisites specified in Section 39(1)(d) to (i). In case of a project from the sphere of production of Czech audiovisual works under Section 31(1)(b), the application shall include documents attesting that the applicant has fulfilled the prerequisites specified in Section 39(1)(b) to (i). In case of a videogame, the applicant shall present documents proving that he has met the prerequisites under Section 39(1)(c) to (i). The fulfilment of the prerequisites specified in Section 39(1)(b) to (f) shall be attested to by a solemn declaration, which shall be a part of the application for selective support. The fulfilment of the prerequisite specified in Section 39(1)(a) is attested to by the documents specified in Section 39(2) to (4).

(5) An application for selective support shall include appendices relevant for the assessment of the project and for the creative and the realization test, by means of which the applicant shall defend the relevance of his project on the basis of pre-determined criteria, and other documents conclusive for the assessment whether the applicant meets the conditions set for a recipient of the selective support.

Division 3

Making Decisions about Selective Support

Section 35

(1) A decision on selective support must be issued within 120 days after the end of the time limit for submission of applications for selective support and must include, beside general particulars specified in the Administrative Procedure Code,

- a) the form and amount of the selective support;
- b) the number of the bank account of the recipient of the selective support to which the selective support is payable;
- c) the purpose for which the selective support is provided;
- d) conditions for the provision and use of selective support and the conditions failing which a decision will be taken to withdraw the selective support under Section 40a,
- e) the determination of basic terms for the agreement on the Fund's share in any profit referred to in Section 32(2), particularly on the amount of the Fund's share in any profit generated by the project;
- f) the time limit for submission of documents under Section 40,
- g) the time limit for submission of the notification of income under Section 40(4a);
- h) the time limit for completion of the project.

(2) In the reasoning of its decision, the Council must deal with the assessment of the project by a group of project assessors. The reasoning of the decision must also include a verbal assessment of the project by the Council based on each of the criteria of the creative and the realization test.

(3) In exceptional cases, the Council may decide without the assessment by the group of project assessors.

(4) There is no legal entitlement for selective support.

(5) The Council decision on an application for selective support is non-appealable.

(6) The provision of Section 146 of the Administrative Procedure Code shall not apply to the proceedings concerning the decision on selective support.

(7) The decision on the discontinuance of proceedings concerning the application for selective support in accordance with Section 66(1) of the Administrative Procedure Code shall be issued by the Director of the Fund, who shall also discontinue the proceedings on the application for selective support in the event that the application for selective support does not contain particulars specified in Section 34 or does not meet the conditions of the relevant call for submission of applications for selective support.

Section 36

(1) Upon request of a recipient to whom selective support has been provided with finality, the Council may decide to change the decision on selective support on the basis of changed circumstances. In making its decision, the Council shall respect the proposal and the reasoning of the application for a change of the decision on selective support.

(2) The changed circumstances referred to in Subsection 1 above shall include factual changes which occurred during the preparation or realization of the project and which the recipient was unable to prevent or mitigate despite exercising due care. Such changes include, without limitation, changes in the project's time schedule, in the project's total budget, and in the contribution of each co-producer.

(3) A receipt of payment of administrative fee shall be attached as a part of the application.

(4) The Council's decision on the application for a change of the decision on selective support is non-appealable.

Section 37

Repealed

Section 38

Repealed

Section 39

Recipient of Selective Support

- (1) A recipient of selective support shall meet the following requirements. The recipient
- a) shall have integrity; an individual convicted with finality of a property-related or economic criminal act, including also cases of preparation of, attempt at and participation in such a criminal act, shall not be considered to have integrity, unless he is looked upon as if he were not convicted; in the case of a legal person, this requirement must be met by the legal person as such, as well as its statutory body or each member of the statutory body, and if a legal person is the statutory body of the recipient of selective support or a member of the statutory body of the recipient of selective support, this requirement shall be met by the legal person as such, as well by as its statutory body or each member of the statutory body; if a foreign legal person is a recipient of selective support through its organisational unit, the requirement under this clause shall be met by persons referred to above and the head of that organisational unit; this requirement shall be met by the recipient of selective support in relation to both the Czech Republic and the country where the recipient has his registered office or permanent residence;
 - b) for the purposes of support under Section 31(1)(b), if not a videogame, the recipient shall not be a television broadcasting operator or provider of an on-demand audiovisual media services, shall not be a capital-related party with a television broadcasting operator or provider of an on-demand audiovisual media service, or his deliveries of works for one television broadcasting operator or provider of an on-demand audiovisual media shall not exceed within 3 years 90% of his total production; a person that is capital-related to the television broadcasting operator or provider of an on-demand audiovisual media service means a person participating in voting rights or registered capital of such television broadcasting operator or provider of an on-demand audiovisual media service, or a person in which the television broadcasting operator or provider of an on-demand audiovisual media service participates hold a share in voting rights or registered capital;

- c) for the purposes of support under Section 31(1)(b), the recipient shall be a producer, and in case of a videogame the producer of such videogame;
- d) shall not be a business in distress in accordance with a directly applicable regulation of the European Union which declares certain support categories compatible with the internal market⁵⁹⁾, and shall not be a person against which a collection order has been issued upon a decision of the European Commission, which has not been paid yet;
- e) shall not be in liquidation;
- f) shall not be a person whose assets are subject to an order of enforcement of a judicial decision or execution;
- g) shall have no arrears of public health insurance premiums and no past-due penalties in respect of public health insurance in the Czech Republic and in the state of its or his registered office, principal place of business or permanent residence;
- h) shall have no arrears registered in the records maintained by the Financial Administration of the Czech Republic and the customs authorities of the Czech Republic and in the records maintained by such authorities of the state where he has his registered office, principal place of business or permanent residence, except the cases where suspension of the payment of such arrears, or the splitting thereof into instalments, has been permitted;
- i) shall have no outstanding arrears of social insurance premiums and penalties and no outstanding arrears of contributions to the employment policy in the Czech Republic and in the state of his registered office, principal place of business or permanent residence; and
- j) shall have no past due liabilities payable to the Fund.

(2) To satisfy itself of the integrity of an applicant who is a citizen of the Czech Republic, the Fund shall request an excerpt from the criminal register for the applicant in accordance with another law. If the applicant is a legal person with registered office in the Czech Republic, the Fund shall request an excerpt from the criminal register for such a legal person itself as well as for such a legal person's statutory body or each member of such a legal person's statutory body, and if the statutory body or a member of the statutory body of such a legal person is a citizen of another state, the applicant shall attach for the purpose of evidencing integrity a document similar to an excerpt from the criminal register issued by such state (the "foreign excerpt from the criminal register"), as well as an excerpt from the criminal register of the Czech Republic (a "local excerpt from the criminal register") of such a person, and if a legal person with registered office in the Czech Republic is that legal person's statutory body or a member of that legal person's statutory body, the Fund shall also request an excerpt from the criminal register for that legal person exercising the functions of the statutory body of the applicant as well as for the statutory body or for each member of the statutory body of that legal person exercising the functions of the statutory body of the applicant, and if the statutory body or a member of the statutory body is a foreign legal person, the applicant shall attach for the purpose of evidencing integrity the foreign excerpt from the criminal register and the local excerpt from the criminal register of the legal person acting as the applicant's statutory body, as well as of the statutory body or each member of the statutory body of that legal person. These excerpts from the criminal register shall not be older than 3 months.

(3) If the applicant is a citizen of a state other than the Czech Republic, he shall, for the purposes of proving his integrity, furnish beside a foreign excerpt from the criminal register a local excerpt from the criminal register. If the applicant is a legal person, it shall, for the purposes of proving its integrity, furnish a foreign excerpt from the criminal register and local

excerpt from the criminal register for such a legal person as well as for such a legal person's statutory body or each member of the statutory body, and if a legal person is its statutory body or a member of its statutory body, it shall also furnish a foreign excerpt from the criminal register and local excerpt from the criminal register for that legal person as well as for that legal person's statutory body or each member of that legal person's statutory body. In lieu of the foreign excerpt from the criminal register, the applicant may furnish an excerpt from the criminal register with an appendix containing information filed in the register of the state where the applicant is a citizen. These excerpts from the criminal register shall not be older than 3 months.

(4) If the state referred to in Subsection 2 or 3 above does not issue foreign excerpts from the criminal register or excerpts from another similar register, the applicant for selective support shall submit a solemn declaration of integrity.

Section 40

Joint Provisions Concerning the Provided Selective Support

(1) The funds provided by the Fund may be used exclusively for the purposes defined in the decision on selective support.

(2) The final settlement account of the project in respect of the funds provided shall be submitted for inspection to the Fund by the recipient of selective support within the period specified in the decision on selective support.

(3) A recipient of an amount of more than CZK 3,000,000 from the Fund shall submit to the Fund the final settlement account as referred to in Subsection 2 above together with an auditor's report in respect of the expenses incurred.

(4) A recipient of selective support in the form of a subsidy with the Fund's share of the profit generated by the project shall submit to the Fund a statement of income by 31 March of each year for the preceding year until the time specified in the decision on selective support.

(5) The Fund shall pay the selective support on the applicant's account in Czech crowns. Any exchange rate difference shall be charged to the applicant. Banking service fees shall be paid by the applicant.

(6) In case of support provided under Section 31(1)(b) for cinematographic works, television works and for animated television works, the recipient of the Fund's financial means shall document to the Fund, together with the settlement under Subsection 2, that he is entitled in relation to that work to

- a) the rights of the producer of the audiovisual work or a share in such rights corresponding to at least to the size of the ratio of the provided selective support and total production costs of the audiovisual work; and cumulatively
- b) proceeds from the use of the work or the share in such proceeds corresponding to at least the size of the ratio of the provided selective support and total production costs of the audiovisual work, except if the lower or no share of the recipient of the Fund's financial means in some proceeds from the use of the work is compensated by a higher share of the Fund's financial means in other proceeds from the use of the work.

Section 40a

Withdrawal of the Selective Support

(1) The Director of the Fund shall decide on the withdrawal of the selective support if it transpires after the issue of the decision to provide the selective support that

- a) the recipient of the support does not meet the prerequisites set forth in Section 39(1);
- b) the recipient of the support has failed meet the conditions set forth in Section 40(6); or
- c) the recipient of the support has failed to meet the conditions defined in the decision on the selective support under Section 35(1)(d) as the conditions failing which a decision will be taken to withdraw the selective support.

(2) The recipient of the support shall be obliged to return the selective support paid to him to the Fund's account within 30 days after the final and effective date of the decision to withdraw the selective support.

Section 40b

Details about the Provision of Selective Support

Details about the provision of the selective support are laid down in the Fund's Statute and include, without limitation

- a) a definition of expenses and detailed rules for eligibility of expenses, including particulars of the auditor's report on the verification of their spending;
- b) the method of evidencing expenses and their eligibility;
- c) detailed conditions of the announcements of calls to submit applications for selective support;
- d) detailed conditions of submission of applications for selective support and documents relevant for their assessment;
- e) the procedure used in the adoption of the Council's decisions;
- f) detailed conditions of the provision of selective support;
- g) the method of composing the group of project assessors;
- h) particulars of the creative and the realization test; and
- i) details concerning Section 40(6).

Section 41

Selective Support Certificate

(1) The Fund shall issue upon request of the recipient of selective support a certificate of granting selective support or of other facts relating to the project for the realization of which the recipient has been provided selective support. Upon request of the recipient of the support, the certificate according to the first sentence may be issued in the English language.

(2) A receipt of payment of administrative fee shall be attached as a part of the request for the issue of the certificate in accordance with Subsection 1.

Part 6

Provision of Production Incentives

Division 1

General Provisions on Production Incentives

Section 42

Conditions for the Provision of Production Incentives and the Definition of Terms

- (1) Production incentives may be provided for the production of an audiovisual work,
- a) which is at least partly produced in the Czech Republic,
 - b) which is
 - 1. a fiction or animated audiovisual work whose length is at least 70 minutes;
 - 2. a documentary audiovisual work whose length is at least 70 minutes;
 - 3. an episode of a fiction audiovisual series whose length is at least 30 minutes, or an audiovisual series consisting of more such episodes;
 - 4. an episode of an animated audiovisual series whose length is at least 5 minutes, or an audiovisual series of more such episodes;
 - c) which meets the content requirements; this shall mean, for production incentive purposes, that the content of the audiovisual work:
 - 1. complies with applicable European Union regulations⁴⁹⁾, which requirement shall be proved by the cultural test upon submission of the application for registration;
 - 2. complies with the legal regulations of the Czech Republic; and
 - 3. is not pornographic, does not consent to violence and does not openly insult human dignity; and
 - d) whose total amount of eligible costs exclusive of the value added tax is at least:
 - 1. CZK 15,000,000 in the case under clause b(1) above;
 - 2. CZK 2,000,000 in the case under clause b(2) above;
 - 3. CZK 8,000,000 in the case under clause b(3) above, provided that the incentivised project is one episode of a fiction audiovisual series;
 - 4. a multiple of CZK 8,000,000 and the number of segments in the case under clause b(3); provided that the incentivised project involves more episodes of a fiction audiovisual series;
 - 5. CZK 1,000,000 in the case under clause b(4), provided that the incentivised project involves one episode of an animated audiovisual series; or
 - 6. a multiple of CZK 1,000,000 and the number of episodes in the case under clause b(4), provided that the incentivised project involves more segments of an animated audiovisual series.
- (2) For production incentive purposes, production of an audiovisual work shall mean production of an audio/video recording thereof, which shall include:
- a) preparatory works,
 - b) shooting; animation work in the case of animated audiovisual works,
 - c) finalising works.

Activities specified in clauses a) to c) that relate to one audiovisual work may be performed solely within one incentivized project.

(3) An incentivised project shall be understood to mean the production of an audiovisual work and activities related thereto aiming at making its audio/video recording, the eligible costs of which are incurred as specified in Subsection 4 above. An incentivised project shall not include activities that precede production and represent the development of an audiovisual work, including, but not limited to, the creation of screenplays on whose basis an audiovisual work is to be created, and activities related to the raising of funds for its production. If the incentivised project consists of one or more episodes of a fiction or animated audiovisual series, the number of episodes of such series which is conclusive for the determination of the amount of eligible costs under Subsection 1(d) shall include all further episodes of such series whose production has been provided for in the Czech Republic, even in part, by the same applicant in the period from the submission of the application for registration of an incentivised project until the submission of the application for a production incentive, unless the production of such episodes constitutes a part of another incentivised project.

(4) For production incentive purposes, eligible costs shall mean, exclusive of the value added tax:

- a) the administrative fee paid by the applicant with the submission of the application for registration of the incentivised project and costs incurred by the applicant in paying for the supply of goods and services directly related to the incentivised project by a person having his principal place of business, permanent residence or registered office in the Czech Republic and registered for income tax in the Czech Republic, provided that the corresponding income is not subject to any tax similar to the income tax in any state other than the Czech Republic and that such a payment was made after the date of submission of the application for registration of the incentivised project on which a decision was made under Section 45(3) and before submission of the application for a production incentive;
- b) the costs incurred by the applicant in paying remuneration to actors and members of the crew having their principal place of business, permanent residence or registered office outside the Czech Republic, provided that this remuneration is subject to income taxation in the Czech Republic and that such a payment was made after the date of submission of the application for registration of the incentivised project on which a decision was made under Section 45(3) and before submission of the application for a production incentive;
- c) the applicant's revenue having the nature of his remuneration for providing for the production of an audiovisual work or a part thereof, which remuneration was paid to the applicant before submission of the application for a production incentive, provided that the applicant is neither the producer nor co-producer of the audiovisual work but is a person responsible for providing for the production of the audiovisual work or a part thereof within the project upon order from the producer or co-producer of the audiovisual work, and that such revenue of the applicant is not subject to a tax similar to the income tax in a state other than the Czech Republic. However, the applicant's revenue under this clause may become an eligible cost up to the maximum amount equal to the difference between the total revenues of the applicant relating to the realization of the incentivised project and the total costs incurred by the applicant in connection with the realization of the incentivised project and may not exceed at the same time 7% of the total costs incurred by the applicant in connection with the realization of the incentivised project.

(5) The limit of the eligible costs specified in Subsection 1(d)(5) and (6) is also decisive for incentivised projects which include production of other than animated audiovisual works, if the incentivised project does not include shooting of a live actor's performance.

(6) The Fund's Statute shall lay down:

- a) a positive and a negative enumeration of eligible costs and detailed rules of cost eligibility,
- b) the method of documenting the costs and the eligibility thereof;
- c) detailed conditions of the provision of production incentives not addressed in the Act,;
- d) the method of proving that the conditions for the provision of production incentives, ensuing from the Act, the Fund's Statute or the Fund's decisions, have been met,;
- e) an enumeration of the activities that fall within the production of an audiovisual work for the purposes of production incentives.

(7) The minimum length of the duration of the audiovisual work under Subsection 1(b) must be maintained when the audiovisual work is first presented to the public in the manner of presentation for which it has been created.

Section 43

Purpose, Form and Amount of Production Incentives

(1) The primary purpose of the provision of production incentives is to support the production of audiovisual works in the Czech Republic and to enhance the competitiveness of the Czech film industry.

(2) Production incentives represent the 'other pecuniary resources' category of state funds in accordance with another law⁴¹⁾.

(3) Production incentives constitute state aid³⁸⁾. The provider of production incentives shall be the Fund.

(4) Production incentives shall be provided:

- a) in an amount corresponding to 25% of eligible costs as per Section 42(4)(a) and (c),
- b) in an amount corresponding to 35% of eligible costs as per Section 42(4)(a) and (c) if the incentivised project includes production of an animated audiovisual work, an animated audiovisual series or an episode thereof or if it is a project specified in Section 42(5);
- c) in an amount corresponding to 66% of the amount of the income tax collected or withheld in the Czech Republic from the eligible costs as per Section 42(4)(b), and
- d) only for eligible costs under Section 42(4) representing in aggregate 80% or less of the total costs of the production of the audiovisual work; in the event that eligible costs under Section 42(4) exceed 80% of the total costs of the production of the audiovisual work, the calculation of the production incentive shall be first based on eligible costs under Section 42(4)(a), then on eligible costs under Section 42(4)(c) and finally on eligible costs under Section 42(4)(b), until the indicated maximum admissible level of eligible costs is achieved.

(4) The maximum amount of a production incentive shall be CZK 450,000,000.

(5) There is no legal entitlement to receive production incentives.

Division 2

Adoption of Decisions on Production Incentives

Section 44

Application for Registration of an Incentivised Project

(1) An application for registration of an incentivised project may only be submitted by a person who is a tax resident of the Czech Republic⁵⁰⁾ or a of another Member State of the European Union or of any of the countries constituting the European Economic Area, provided that such a person has a permanent establishment in the Czech Republic⁵¹⁾ and is to be the producer or co-producer of an audiovisual work, or shall procure upon order the production of an audiovisual work or part thereof for a producer or co-producer.

(2) An application for registration of an incentivised project shall be submitted in the electronic form using an electronic application accessible in a manner allowing for remote access. The applicant shall enter his application for incentivised project registration in the electronic form into the Fund's system maintained in a manner allowing for remote access.

(3) The application for registration of an incentivised project shall contain beside the essentials of an application required by the Administrative Procedure Code also a cultural test, whose content shall be defined in the Fund's Statute, plus other attachments specified in the Fund's Statute.

(4) When submitting an application for registration of an incentivised project, the applicant shall pay an administrative fee.

(5) Applications in respect of one and the same incentivised project may be filed by more than one applicant.

(6) An application for registration of an incentivised project may not be submitted by a person to whom an incentivised project listing certificate issued upon such a person's request in respect of the same incentivised project under Section 47 has been delivered if such a project listing certificate has been cancelled by the Fund in accordance with Section 47(4). A person to whom an incentivised project listing certificate issued upon such a person's request in respect of another incentivised project under Section 47 has been delivered shall not be allowed to submit an application for registration of an incentivised project for 2 years from the finality of the decision to cancel the listing certificate, if such a listing certificate has been cancelled by the Fund in accordance with Section 47(4).

(7) The Director of the Fund may, for reasons deserving a special merit, suspend the acceptance of applications for registration of incentivised projects. Information that the acceptance of applications for registration of incentivised projects has been suspended and information about the period of time for which this measure is to be in effect shall be made public by the Fund in a manner allowing for remote access. No application for registration of an incentivised project can be submitted during such a period.

Section 45

Evaluation of the Application for Registration of an Incentivised Project and Inclusion of an Incentivised Project in the Registration List

(1) If an application for registration of an incentivised project does not contain all details required by this Act or by the Fund's Statute, the Fund shall invite the applicant to

complement the application. If the applicant fails to complement the application for registration of his incentivised project within 10 working days of the date of delivery of the Fund's call to do so, the Fund shall issue a resolution to discontinue the proceedings concerning the application. The Fund shall also issue a resolution to discontinue the proceedings concerning the application for registration of an incentivised project if the application was filed in the period referred to in Section 44(7). In the event that the applicant fails to meet the conditions specified in the first sentence of Section 44(1) or that an application for registration of an incentivised project has been submitted in contravention of Section 44(6), the Fund shall dismiss such application.

(2) If the Fund does not discontinue or dismiss the application for registration of the incentivised project in accordance with Subsection 1 above, the Fund shall refer the application for registration of an incentivised project to the Commission for Production Incentives (hereinafter referred to as the "Commission"), which shall evaluate it with regard to its compliance with the content requirements and shall issue an opinion on whether the incentivised project meets the content requirements for the provision of the production incentive, and if the Commission determines that the incentivised project does not meet the content requirements for the provision of the production incentive it shall furnish evidence in support of its opinion.

(3) If the Commission states in its opinion that an incentivised project meets the content requirements for the provision of production incentives, the Fund shall issue a certificate of incentivised project registration and shall include the incentivised project in the incentivised project registration list. In the registration certificate, the Fund shall determine the period of time to submit the application for the listing of an incentivised project and also the conditions, binding on the applicant, for the provision to the Fund of information about the realization of the incentivised project. Conditions in respect of which the applicant's non-compliance is treated as less serious may be highlighted by the Fund in the incentivised project registration certificate.

(4) The incentivised project registration list shall be made public by the Fund in a manner allowing for remote access.

(5) If the Commission states in its opinion that an incentivised project does not meet the content requirements for the provision of production incentives, the Fund shall dismiss the application for registration of the incentivised project.

(6) The Fund's decision on the application for registration of an incentivised project and its resolution to discontinue the proceedings is non-appealable.

(7) An application for registration may be submitted repeatedly, if a decision on it was made in accordance with Subsections 1 or 5 above. An application for registration of the same incentivised project may only be submitted by an applicant after the expiration of the period for submission of an application for listing the incentivised project as determined in the incentivised project registration certificate; for the purposes of assessing the eligibility of costs in accordance 42(4), the date of submission of a repeated application for registration of an incentivised project shall be considered conclusive in this case.

(8) For the purposes of providing production incentives, projects considered the same shall be such under which the production of the same audiovisual work is to be carried out, as indicated by the applications submitted on the basis of the same, albeit altered script, and irrespective of any change of name.

Section 46

Incentivised Project Listing Application

(1) An applicant to whom an incentivised project registration certificate has been delivered shall be entitled to submit an application for listing of the incentivised project not later than within the period specified in the incentivised project registration certificate if

- a) he meets the requirements set out in Section 50(2) below;
- b) he has not breached the conditions specified in the incentivised project registration certificate, except for the conditions in respect of which the applicant's non-compliance is treated as less serious according to the incentivised project registration certificate;
- c) no other person has yet applied for the listing of the same incentivised project, unless the certificate of incentivised project listing issued upon such an application has been cancelled or unless the period available to another person for submission of an application for film subsidy under Section 48 has expired to no effect;
- d) the incentivised project listing certificate issued by the Fund upon such an applicant's application under Section 47 below in relation to the same incentivised project has not been cancelled with finality under Section 47(4) below; and
- e) no other incentivised project listing certificate issued by the Fund upon such an applicant's application under Section 47 below has been cancelled with finality under Section 47(4) below during the preceding 2 years.

(2) The incentivised project listing application shall be submitted in the electronic form, using an electronic application allowing for remote access. The incentivised project listing application shall be entered electronically into the Fund's system maintained in a manner allowing for remote access.

(3) The incentivised project listing application shall contain the essentials of an application as specified in the Administrative Procedure Code, plus appendices determined in the Fund's Statute.

Section 47

Evaluation of the Incentivised Project Listing Application and the Listing of an Incentivised Project

(1) If an incentivised project listing application does not contain all details required by this Act or by the Fund's Statute, the Fund shall invite the applicant to complement the application. If the incentivised project listing application is complemented within the period specified by the Fund, the date of submission of the complemented incentivised project listing application shall be regarded as the date of a complete and duly submitted application. If the applicant fails to complement the incentivised project listing application within 10 working days of the date of delivery of the Fund's call to do so, the Fund shall issue a resolution to discontinue the proceedings concerning the application.

(2) If an applicant or an incentivised project fails to meet the conditions determined by law or by the Statute of the Fund the Fund shall dismiss the incentivised project listing application.

(3) If the Fund does not proceed in accordance with the third sentence of Subsection 1 or with Subsection 2 above, it will issue an incentivised project listing certificate. If the available financial means of the Fund are not sufficient to fully cover the expected amount of the production incentive, the Fund shall suspend the proceedings until the time when it obtains available funds

sufficient to fully cover the envisaged amount of the production incentive. The time limit specified in Section 48(1) shall be extended by such suspension period. The Fund shall process applications for listing of incentivised projects in the order in which they have been submitted and shall use obtained available funds primarily for the covering of the envisaged amount of production projects in respect of which it has suspended the proceedings on the application. The incentivised project listing certificate shall contain information about the envisaged production incentive amount. In the listing certificate, the Fund shall determine the conditions, binding on the applicant, as to the determination of the obligation under Section 50(3)(d) concerning compliance with the periods for the realization of the incentivised project, and as to the provision to the Fund of information about the realization of the incentivised project. In the incentivised project listing certificate, the Fund may determine in accordance with the application for listing of the incentivised project a shorter period than the period indicated in Section 48(1) below. Conditions in respect of which the applicant's non-compliance is treated as less serious may be highlighted by the Fund in the incentivised project listing certificate.

(4) If an applicant to whom an incentivised project listing certificate has been delivered fails to comply with the conditions indicated therein, with the exception of the conditions in respect of which a non-compliance is treated as less serious according to the incentivised project listing certificate, the Fund may decide to cancel the incentivised project listing certificate. If it transpires upon the issuance of an incentivised project listing certificate that during the period preceding the issuance of the incentivised project listing certificate the applicant breached the conditions prescribed in the certificate of registration of the same incentivised project, except for the conditions in respect of which a non-compliance is treated as less serious according to the incentivised project registration certificate, the Fund may decide to cancel the incentivised project listing certificate.

(5) If upon issuance of a project listing certificate the incentivised project is not realized or if it becomes impossible, because of changed circumstances, to submit an application for a production incentive for the production of an audiovisual work, the applicant shall inform the Fund without delay to that effect. The Fund shall decide to cancel the incentivised project listing certificate.

(6) If upon issuance of a project listing certificate the expected production incentive amount increases or decreases, as a result of changed circumstances, by more than 5% or by more than CZK 1,000,000, the applicant shall submit, not later than within the period indicated in the listing certificate, an application for a change of the listing certificate. The Fund shall issue a decision on a change of the listing of the incentivised project.

(7) If an applicant to whom an incentivised project listing certificate has been delivered ceases to comply with the conditions under Section 50(2), the applicant shall inform the Fund without delay to that effect, whereupon the Fund shall decide to cancel the incentivised project listing certificate. If the Fund learns from other sources that the applicant to whom an incentivised project listing certificate has been delivered has ceased to comply with the conditions under Section 50(2), the Fund shall decide to cancel the incentivised project listing certificate.

(8) The Fund's decision about an incentivised project listing application, about cancellation of an incentivised project listing certificate and about a change to an incentivised project listing certificate, and the Fund's resolution to suspend or discontinue the proceedings are non-appealable.

(9) The Fund shall make public the incentivised project records and the periods in a manner allowing for remote access.

Section 48

Application for a Production Incentive

(1) An applicant to whom an incentivised project listing certificate has been delivered shall be entitled to submit an application for a production incentive no later than within 4 years from the date of delivery of the project registration certificate, unless a shorter period is indicated in the project listing certificate, provided that

- a) the incentivised project listing certificate has not been cancelled by the Fund;
- b) the applicant meets the requirements laid down in Section 50(2).

(2) An application for a production incentive shall be submitted in the electronic form using an electronic application accessible in a manner allowing for remote access. The applicant shall enter his application for a production incentive in the electronic form into the Fund's system maintained in a manner allowing for remote access.

(3) If an incentivised project includes the making of an audiovisual work in the Czech Republic for at least 10 shooting days and if the audiovisual work concerned is not an animated audiovisual work, an application for a production incentive in relation to one incentivised project can be submitted twice in succession, each time related to different eligible costs. The first of such two applications may be submitted no sooner than after the end of the making of the audiovisual work in the Czech Republic. However, the minimum limit of eligible costs under Section 42(1)(d) shall be observed in respect of the first of such two successive applications for the production incentive. Otherwise an application for a production incentive in respect of one incentivised project may only be submitted once, provided that a previous application has not been dismissed or the relevant proceedings discontinued.

(4) The amount corresponding to the production incentive according to the application for a production incentive may be higher by up to 5%, but by no more than CZK 1,000,000, than the envisaged amount of the production incentive indicated in the incentivised project listing certificate. In the event that an applicant submits 2 applications for a production incentive in succession in respect of one and the same incentivised project in accordance with Subsection 3 above, the provision of the first sentence of this Subsection 4 shall apply to the sum of the amounts indicated in the two applications for a production incentive.

(5) An application for a production incentive shall contain the basic essentials of an application based on the Administrative Procedure Code plus appendices determined in the Fund's Statute.

(6) The auditor's report, which shall be a part of the application for a production incentive, shall be prepared by an auditor who is authorised to carry out audit activities in accordance with another law⁴⁴⁾ and who has executed an insurance policy whose subject-matter is the insurance of liability for damage caused to a third party during the performance of the auditor's activities and where the agreed limit of insurance proceeds amounts to at least 1,000,000 CZK. Particulars of the auditor's report, which comply with Act No. 93/2009 Coll. on auditors and on the amendment to certain laws (Act on Auditors), as amended, and with the standards of the International Auditing and Assurance Standards Board (IAASB), are laid down in the Fund's methodology.

Section 49

Evaluation of the Application for a Production Incentive

(1) If an application for a production incentive does not contain all details required by this Act, the Fund shall invite the applicant to complement the application. If the applicant fails to complement the application for a production incentive within 10 working days of the date of delivery of the Fund's call to do so, the Fund shall issue a resolution to discontinue the proceedings concerning the application.

(2) If all the conditions laid down in this Act are met, the Fund shall make its decision on the provision of a production incentive. Otherwise the Fund shall dismiss the application for a production incentive. If, however, the application for a production incentive contains an amount higher than the amount resulting from this Act, the Fund shall not dismiss the application and shall determine in the decision on the production incentive the amount of the production incentive in compliance with this Act.

(3) The Fund shall also dismiss an application for a production incentive if the applicant breached the conditions specified in the incentivised project listing certificate, with the exception of the conditions in respect of which a non-compliance is treated as less serious according to the incentivised project listing certificate.

(4) The Fund shall release and disburse the production incentive to the applicant's bank account within 30 days after the decision on the production incentive, provided that the applicant meets the conditions specified in Section 50(2) at the moment of payment of the production incentive. The bank charges connected with this transaction shall be paid by the applicant.

(5) The Fund's decision on the application for a production incentive is non-appealable.

(6) An overview of the provided production incentives shall be made public by the Fund in a manner allowing for remote access.

(7) If an applicant ceases to comply with the conditions under Section 50(2) before the payment of the production incentive or if it transpires later that the applicant or the incentivised project did not meet the requirements for the issuance of a decision on the production incentive, the Fund shall cancel the decision on the production incentive. The Fund's decision to cancel its decision on the production incentive is non-appealable.

Section 50

Recipient of Production Incentive

(1) For the purposes of this Act, a recipient of production incentive shall be understood to mean:

- a) an applicant who has been delivered a certificate of incentivised project registration,
- b) an applicant who has been delivered an incentivised project listing certificate,
- c) an applicant who has been delivered a decision on the production incentive.

(2) A recipient of production incentive:

- a) shall meet the requirements of Section 39(1) and Section 44(1);
- b) shall not be a recipient of aid for rescuing and restructuring businesses in distress⁴⁵⁾;

c) shall not be a person whose assets are subject to enforcement of a judicial decision or execution.

(3) A recipient of production incentive shall:

- a) ensure that selected accounting operations associated with the incentivised project are maintained in separate analytical records in the recipient's books of accounts in a manner allowing to prove that the relevant book entries refer to the incentivised project and are related to its realization;
- b) in order to maintain an audit trail, ensure the archiving of all documentation, including the incentivised project accounting documents, for a period of 5 years from the payment of the production incentive and make them available to the Fund upon request;
- c) meet the conditions contained in the incentivised project registration certificate and in the incentivised project listing certificate,
- d) note in the final credits of the audiovisual work produced as a part of the incentivised project that the production of the audiovisual work was supported by a production incentive under this Act, and do so in the manner indicated in the incentivised project listing certificate,
- e) provide the Fund free of charge with a copy of the audiovisual work produced as a part of the incentivised project on an audiovisual recording medium within 6 months from the first presentation of the audiovisual work to the public.

(4) A breach of the obligations under Subsection 3 above shall be treated as a breach of budgetary discipline in accordance with another legal regulation⁴³⁾.

Division 3

Section 51

Activities of the Commission, its Composition and the Manner of Adoption of Decisions

(1) The Commission shall:

- a) evaluate the applications for registration of incentivised projects with regard to their compliance with the content requirements under Section 42(1)(c) and issue opinions related thereto,
- b) perform other activities entrusted to it by this Act and by the Fund's Statute.

(2) The Commission shall be quorate if at least 3 members are present. The Commission shall decide by a majority of votes. The voting shall be repeated not more than twice in the case of a tie, and the proposal shall be deemed unaccepted if no decision is reached after such repeated voting.

(3) A Commission member shall be excluded from deciding on a production incentive in cases specified in the Administrative Procedure Code or on the basis of his personal interest in the decision or if a personal benefit may be obtained by him either directly or through a close person. For the quorum purposes, the excluded member of the Commission shall be deemed to be absent from the Commission meeting.

(4) The Commission shall have 5 members.

(5) Commission members shall be appointed and dismissed by the Minister, and shall be chosen from among the ranks of recognized practitioners in the audiovisual sphere who have been nominated by professional organisations. The proposed nominations shall be submitted to the Fund which shall refer them to the Minister.

(6) At its first meeting following the appointment of Commission members, the Commission shall elect its chairman and vice-chairman.

(7) Being a member of the Commission shall be a public office.

(8) For the performance of his office, a Commission member shall be entitled to remuneration to be determined by a government resolution upon the Minister's proposal. A Commission member shall be entitled to reimbursement for travel expenses related to the exercise of his office to the same extent as employees, the place of his permanent residence being regarded as his regular place of work for the purposes of reimbursement of travel expenses.

(9) Details of the requisites of the nomination of a candidate for the Commission membership, the process of submission thereof, and the election of the Council chairman and vice-chairman and of the meetings and other activities of the Commission shall be determined in the Fund's Statute.

Section 52

Requirements for Commission Membership and Termination of the Commission Membership

(1) A natural person may be eligible to become a member of the Commission if he has:

- a) full legal capacity;
- b) integrity; an individual convicted with finality of a premeditated criminal act shall not be considered to have integrity, unless he is looked upon as if he were not convicted.

(2) A Commission member may not hold an office in any political party or political movement, nor may he act in favour of any political party or movement in connection with the performance of his office as Commission member.

(3) Commission membership shall be incompatible with the office of the President of the Republic, member of the Chamber of Deputies, Senator, member and deputy member of the government, head and deputy head of a central state administration authority, President of the Supreme Audit Office or member of his Advisory Board, member of the Council of the Czech Telecommunication Office, member of the Bank Board of the Czech National Bank, member of the Council for Radio and Television Broadcasting and member of the Czech Television Council.

(4) Commission membership shall be incompatible with an employment relationship to the Fund.

(5) Commission membership shall terminate:

- a) by the expiry of the term of office;
- b) as of the date of delivery to the Minister of the Commission member's written announcement of resignation;
- c) as of the date of delivery to the Commission member of the decision to recall him from office;

- d) as of the date of finality of a court decision to restrict the Commission member's legal capacity;
- e) as of the date of finality of a court decision convicting the Commission member of a premeditated criminal act; or
- f) as of the date when the Commission member acquires a position indicated in Subsection 2 or 3 above or becomes an employee of the Fund.

(6) The Minister shall recall a Commission member from his office if he:

- a) has ceased to meet the requirements for the performance of his office;
- b) has committed an act threatening to affect the confidence in his independence or impartiality in the performance of his office;,
- c) has seriously damaged the dignity of the office held by him;
- d) has acted in favour of a political party or political movement in connection with the exercise of his office as a Commission member, or
- e) has repeatedly failed to properly discharge his duties under this Act or other legal regulations, or the Fund's Statute.

Part 7

Co-production Status and Certificate of Compliance with Co-production Prerequisites

Section 53

(1) The Fund shall decide on granting the co-production status

- a) to an audiovisual work if it complies with the conditions of an international film co-production agreement;
- b) to a cinematographic work if it complies with the conditions of the Convention or the Revised Convention.

(2) The Fund shall decide on the granting of the certificate of compliance with co-production prerequisites to a cinematographic work that meets the criteria of a European film work laid down in the Convention or of an officially co-produced film work in accordance with the Revised Convention.

(3) The co-production status and the certificate of compliance with co-production prerequisites cannot be granted to audiovisual works of pornographic nature, cinematographic works consenting to violence or cinematographic works openly insulting human dignity.

(4) An application for the granting of the co-production status and for the certificate of compliance with co-production prerequisites shall be submitted to the Fund by a co-producer based in the Czech Republic.

(5) A receipt of payment of administrative fee shall be attached as a part of the application for the granting of the co-production status and for the certificate of compliance with co-production prerequisites.

Part 8

Supervision

Section 54

(1) Supervision over compliance with the obligations under this Act, with the exception of the obligations of the Fund, shall be the responsibility of the Regional Authority (under the authority delegated by the state). For this purpose, the Fund shall provide the Regional Authority with the essential information contained in the records of audiovisual works.

(2) The Regional Authority shall send to the Fund a copy of any decision concerning a breach of this Act by a legal person or a natural person carrying on a business, and shall do so within 30 days from the finality of such a decision.

Part 9

Administrative Offences

Section 55

(1) Any legal person or any natural person carrying out a business which/who sells, leases or lends copies of a cinematographic work labelled as classified in accordance with Section 4(2)(d) shall commit an administrative offence by selling, leasing or lending, in contravention with Section 5(6) above, copies of a cinematographic work labelled as classified to a person to whom a restriction of access, based on the classification, applies.

(2) A producer or co-producer with registered office or permanent residence in the Czech Republic shall commit an administrative offence by failing to classify a Czech cinematographic work or by failing to notify the distributor of such work about the classification in accordance with Section 5(1) above.

(3) A producer of a Czech audiovisual work or its co-producer with registered office or permanent residence in the Czech Republic shall commit an administrative offence by failing to notify the National Film Archive of such work in accordance with Section 7(1) or (2) above.

(4) A producer of a Czech cinematographic work or its co-producer with registered office or permanent residence in the Czech Republic shall commit an administrative offence by:

- a) failing to offer in writing to the National Film Archive in the form of a proposed contract copies of such Czech cinematographic work in accordance with Section 6(1) or (2) above;
- b) failing to deliver to the National Film Archive copies or other items that constitute the subject-matter of the contract in accordance with Section 6(4).

(5) A producer of a Czech cinematographic work or its co-producer with registered office or permanent residence in the Czech Republic who is at the same time a recipient of the selective support in accordance with Section 31(1)(b) shall commit an administrative offence if, in contravention of Section 6(5), he fails to do the following within the prescribed time limit:

- a) to offer in writing in the form of a proposed contract to the National Film Archive free copies of such Czech cinematographic work in accordance with Section 6(1) or (2) above;
- or

- b) to deliver to the National Film Archive copies or other items that constitute the subject-matter of the contract in accordance with Section 6(4).

(6) A producer of a Czech cinematographic work or its co-producer with registered office or permanent residence in the Czech Republic who is at the same time a recipient of the selective support in accordance with Section 31(1)(b) shall commit an administrative offence by failing

- a) to offer in writing in the form of a proposed contract to the National Film Archive free copies of such Czech cinematographic work in accordance with Section 6a(1) or (2) above; or
- b) to deliver to the National Film Archive copies or other items that constitute the subject-matter of the contract in accordance with Section 6a(4).

(7) A cinematographic performance organiser shall commit an administrative offence by:

- a) failing to ensure together with the announcement of the cinematographic performance or during the cinematographic performance that the presence of persons to whom the restriction of access to the work applies is excluded in accordance with Section 5(5) above; or
- b) presenting to the public before, during or immediately after a cinematographic performance, in contravention of Section 5(8) above, any trailers having a stricter restriction label than the cinematographic work shown as the main feature of the cinematographic performance.

(8) A distributor shall commit an administrative offence by:

- a) failing to provide copies of a Czech audiovisual work (with the exception of a videogame), distributed to the public in the Czech Republic, with captions for the hearing impaired viewers or by failing to ensure that the inscription “Captioned for the Hearing Impaired” is printed on the packages of such copies in accordance with Section 3(2) above;
- b) failing to classify any cinematographic work other than Czech cinematographic work distributed by him in the territory of the Czech Republic in accordance with Section 5(2) above;
- c) failing to notify of the classification the cinematographic performance organiser, on-demand audiovisual media service provider or any other persons to whom the distributor grants authorisation to use the work in the territory of the Czech Republic in accordance with Section 5(3);
- d) failing, as a person referred to in Section 2(1)(j)(1), to put a classification label on the packages of the copies of a cinematographic work, or by failing to use a classification label with the strictest restriction if such a copy contains more than one cinematographic work, in accordance with Section 5(4);
- e) failing to ensure that the audiovisual trailers or other forms of advertising the cinematographic work distributed by him and classified in accordance with Section 4(2)(d) contain the designation of the classification of such cinematographic work in accordance with Section 5(7); or
- f) failing to notify the National Film Archive of any cinematographic work or any television work presented within his distribution to the public in the Czech Republic through cinematographic performances, television broadcasting or through an on-demand audiovisual media service in accordance with Section 7(3).

(9) Fines that may imposed for an administrative offence may amount up to:

- a) CZK 50,000 in the case of an administrative offence referred to in Subsection 8(a) to (e) above,
- b) CZK 100,000 in the case of an administrative offence referred to in Subsections 1 to 7 or Subsection 8(f) above.

Section 56

Joint Provisions on Administrative Offences

(1) In accordance with this Act, administrative offences shall be addressed by the Regional Authority.

(2) The Regional Authority shall send a copy of its decision on an administrative offence to the Fund within a period of 30 days of the date of finality of the decision.

(3) Fines shall be collected and enforced by the authority which has imposed them. Fines shall constitute the Fund's income.

Title V

JOINT, TRANSITIONAL AND FINAL PROVISIONS

Part 1

Joint Provisions

Section 57

Repealed

Section 57a

Intensity of State Aid

(1) The intensity of state aid, which for the purposes of this Act shall be understood to mean the volume of state aid provided to a project claimed with state aid under this Act, shall not exceed the limit determined in the directly applicable regulation of the European Union⁵⁹⁾ or in a decision of the European Commission and may not exceed at the same time 90% of the total project costs.

(2) Considered as state aid shall be the selective support and production incentives under this Act and any other resources of state aid nature provided for the purpose of realization of a project and made available to an applicant for selective support or for a production incentive and to all other individuals or legal entities taking part in the financing of the project. Considered as total project costs shall be the costs of the realization of the entire project as incurred by the applicant for selective support, the applicant for a production incentive or other individuals or legal entities taking part in the realization of the project. With respect to the production incentives, a project shall be understood to mean for this purpose the entire production of the audiovisual work, rather than only the part of production carried out within the scope of the incentivised project.

(5) The Statute of the Fund shall define the procedure of determining and documenting the intensity of state aid.

Section 57b

Publication of Information

(1) The Fund publishes information about provided selective support in the form of open data in accordance with the Act on Free Access to Information to the following extent:

- a) the recipient's name and surname or business name;
- b) the recipient's identification number, if allocated;
- c) the municipality where the recipient has his registered office or place of residence;
- d) the amount of the granted selective support;
- e) the purpose for which the selective support intended; and
- f) minutes of the Council meeting which adopted the decision on the supported project based on the announced call for submission of application for selective support, including a protocol containing information how each Council member evaluated the application and how he voted on it.

(2) The information referred to in Subsection 1 shall be published within 30 days after the Council meeting which adopted the decision on the supported project based on the announced call for submission of application for selective support. This information must be available to the public at least for 10 years.

(3) The Fund shall publish information about the provided production incentives in the form of open data in accordance with the Act on Free Access to Information to the following extent:

- a) the recipient's name and surname or business name;
- b) the recipient's identification number, if allocated;
- c) the municipality where the recipient has his registered office or place of residence;
- d) the amount of the granted production incentive; and
- e) the date of issue of the decision on the provision of the production incentive.

(4) The information about the provided production incentives referred to in Subsection 3 shall be published within 30 days after the issue of the decision. This information must be available to the public at least for 10 years.

Section 57c

(1) If the person nominating a candidate for a member of one of the Fund's bodies, for an project assessor or for a Commission member, an applicant for selective support, a recipient of the selective support, an applicant for a production incentive, recipient of a production incentive or an applicant for the issue of a co-production status is obliged to submit a document under this Act, he shall submit a copy of such document. If the Fund has any doubts about the genuineness of the document, it may demand the presentation of the original or a certified copy thereof.

(2) The documents referred to in Subsection 1 which are written in other than the Czech or the Slovak language must be accompanied with their translation into the Czech language. The Fund may demand submission of a certified translation into the Czech

language. The Fund may designate documents that may be presented to it without translation, also in relation to certain selected languages.

Section 57d

Each member of the Board of Representatives, of a Council, of the Supervisory Committee or the Commission, each project assessor and each of the Fund's employees shall keep confidential all facts learned by him/her in connection with his/ her activities in the Fund.

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- 1) Section 62 of Act No. 121/2000 Coll. on Copyright, Rights Related to Copyright, and Amending Certain Acts (the Copyright Act).
 - 2) Act No. 40/1995 Coll. on Advertising Regulation, and Amending Act No. 468/1991 Coll. on Radio and Television Broadcasting, as amended, as amended.
 - 3) Section 12 of Act No. 121/2000 Coll., as amended by Act No. 216/2006 Coll.
 - 4) Section 79 of Act No. 121/2000 Coll.
 - 5) Communication of the Ministry of Foreign Affairs No. 26/2000 Coll. on the adoption of the European Convention on Cinematographic Co-production.
 - 6) Section 14 to 16 of Act No. 121/2000 Coll.
 - 7) Act No. 132/2010 Coll. on On-demand Audiovisual Media Services, and Amending Certain Acts (the On-demand Audiovisual Media Services Act), as amended by Act No. 302/2011 Coll.
 - 8) Section 21 of Act No. 121/2000 Coll., as amended by Act No. 216/2006 Coll.
 - 9) Section 2(1)(d) of Act No. 132/2010 Coll.
 - 10) Section 15 of Act No. 121/2000 Coll., as amended by Act No. 216/2006 Coll.
 - 11) Section 16 of Act No. 121/2000 Coll., as amended by Act No. 216/2006 Coll.
 - 12) Section 55(1) of Act No. 219/2000 Coll. on the Property of the Czech Republic and its Representation in Legal Relationships, as amended.
 - 13) Section 64 of Act No. 121/2000 Coll., as amended by Act No. 216/2006 Coll.
 - 14) Section 7 of Act No. 121/2000 Coll.
 - 15) Section 53 of Act No. 218/2000 Coll. on Budgetary Rules and Amending Certain Related Acts (the Budgetary Rules), as amended
Section 54 of Act No. 219/2000 Coll., as amended.
 - 17) Section 106(4) of Act No. 121/2000 Coll.
 - 18) Act No. 561/2004 Coll. on Pre-school, Elementary, Secondary, Post-secondary Vocational and Other Education (the "School Act"), as amended.
 - 19) Act No. 111/1998 Coll. on Universities and Amending Other Acts (the University Act), as amended.
 - 20) Section 214 of Act No. 89/2012 Coll., the Civil Code.
 - 21) Act No. 248/1995 Coll. on Public Benefit Organisations and Amending Certain Acts, as amended.
 - 22) Section 4 of Act No. 121/2000 Coll.
 - 23) Section 28 of Act No. 218/2000 Coll.
Section 54 of Act No. 219/2000 Coll., as amended.
 - 24) Directive (EU) 2018/1808 of the European Parliament and of the Council of 14 November 2018 amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive)
 - 26) E.g. Section 26(2) to (4) and Section 74 of Act No. 121/2000 Coll., as amended.
 - 27) Section 14 of Act No. 273/1993 Coll. on Certain Conditions of the Production, Distribution and Archiving of Audiovisual Works, and Amending Certain Acts and Other Regulations.
 - 28) E.g. Section 26(2) to (4) of Act No. 121/2000 Coll., as amended by Act No. 216/2006 Coll.
 - 29) Section 201(3) of Act No. 262/2006 Coll., the Labour Code, as amended.
 - 31) Section 14(1) of Act No. 500/2004 Coll., the Administrative Procedure Code.
 - 32) Section 44 of Act No. 218/2000 Coll., as amended.
 - 33) E.g., Section 26(2) of Act No. 121/2000 Coll., as amended by Act No. 216/2006 Coll.
 - 34) Act No. 231/2001 Coll., as amended.
 - 43) Section 44 of the Budgetary Rules.
 - 46) Section 402 of the Civil Code.

- 47) Decree No. 114/2002 Coll. on the Fund of Cultural and Social Needs, as amended.
- 52) Act No. 106/1999 Coll. on Free Access to Information.
- 53) Section 2(1)(e) of Act No. 242/2022 Coll. on Services of Platforms for Sharing Video Recordings and on the Amendment to Certain Related Laws (Act on Services of Platforms for Sharing Video Recordings).
- 54) Convention of the Council of Europe on Film Co-production (Revised), promulgated under no. 23/2021 of the Collection of International Agreements.
- 55) Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).
- 56) Section 33(3) of Act No. 262/2006 Coll., the Labour Code, as amended by Act No. 362/2007 Coll.
- 57) Section 2(1)(e) of Act No. 132/2010 Coll.
- 58) Communication from the Commission Guidelines pursuant to Article 13(7) of the Audiovisual Media Services Directive on the calculation of the share of European works in on-demand catalogues and on the definition of low audience and low turnover 2020/C 223/03.
- 59) Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty
- 60) Art. 108(3) of the Treaty on the Functioning of the European Union; Council Regulation (EU) 2015/1589 of 13 July 2015 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union (codification).
- 61) Section 18(2) of Act No. 121/2000 Coll., as amended.
- 62) Section 2(1)(a) of Act No. 132/2010 Coll., as amended by Act No. 242/2022 Coll.
- 63) Section 20 of Act No. 121/2000 Coll.
- 64) Art. 54(2) of the Commission Regulation (EU) 651/2014, as amended.
- 65) Act No. 565/1990 Coll. on Local Fees, as amended.