

**ROYAL DECREE-LAW 17/2020, 5th MAY, FOR THE APPROVAL OF SUPPORT MEASURES AND TAX MEASURES FOR THE CULTURAL SECTOR TO DEAL WITH THE ECONOMIC AND SOCIAL IMPACT OF COVID-19**

The declaration of the State of Alarm, its extensions and the numerous containment measures applied have had a negative impact on all the economic sectors; in this regard, the Royal Decree-Law 17/2020 approves support measures specialized for the cultural sector.

According to the RDL’s preamble, these measures aim to **battle the total paralysis and the drastic loss of income of the cultural sector** as a whole, as well as to **guarantee the survival** of the sector’s structure, workers and companies.

The approved tax measures include, among others, the recognition of tax benefits to certain events of special public interest and the modification of existing deductions regarding the Corporate Tax for investors in Spanish cinematographic productions and audiovisual series. These measures complement existing general measures, adapting them to the singularities of this particular sector. The following measures stand out:

AREAS/ ACTIVITIES	MEASURES
<b>Financing support of the cultural sector and its workers</b>	✓ In order to boost the financing of the cultural sector, there will be direct granting of subsidies to the “ <i>Sociedad de Garantía Recíproca Audiovisual Fianzas SGR</i> ”.
	✓ Artists working with Public shows not affected by “Temporary Employment Regulation Files” (ERTE in Spanish), will have extraordinary access to unemployment benefits during inactivity periods within 2020.
<b>Performing arts and music</b>	✓ In order to help maintain the structural system and performing arts, musical shows and cultural projects, there will be granting of extraordinary subsidies for self-employed and companies with a permanent establishment within the EU and EEA.
	✓ With regards to contracts with the Public Sector, the contracting authority can arrange, in the contractors’ favor: <ul style="list-style-type: none"> <li>- Advance payment of 30% of the total price, regarding contracts that have been modified or suspended and whose price does not exceed 50,000 euros.</li> <li>- Compensation payment, 3-6% of the total price, regarding contracts that have been resolved.</li> </ul>
<b>Cinematographic and audiovisual arts</b>	✓ There will be deadline extension for certain obligations imposed to cinematographic productions that have been granted subsidies during 2016-2019, and also flexibility regarding the fulfilment of those obligations during 2020.

	<ul style="list-style-type: none"> <li>✓ For those projects that were benefited during 2019, the obligation to commence filming and its communication to authorities has been postponed.</li> <li>✓ Until 31th August 2020, the premiers that have taken place at an audiovisual communication service, electronic commerce or catalog commerce will be considered as a "commercial premiere".</li> <li>✓ In order to help sustain the costs of film-exhibition rooms during the crisis, there will be direct granting of subsidies to self-employed and companies who own them.</li> </ul>
<b>Books and contemporary art</b>	<ul style="list-style-type: none"> <li>✓ Exceptional subsidies will be granted for the maintenance of their structure and supply chain, to those independent libraries whose editorial offer does not depend on distributors or editorial companies.</li> <li>✓ Exceptional subsidies will be granted to art galleries and/or artists and commissioners dedicated to contemporary arts, for their maintenance, if they reside in Spain</li> </ul>
<b>Other activities</b>	<ul style="list-style-type: none"> <li>✓ When a subsidized activity has been cancelled total or partially due to Covid-19, the costs in which the beneficiary has incurred may be reimbursed.</li> <li>✓ Extension of scholarships and subsidies granted to athletes that depended on results obtained the past year, when those competitions have been cancelled.</li> <li>✓ Lifting of the suspension of deadlines and interruption of deadlines in procurement procedures within the Public Sector.</li> </ul>