#### 13/1993 Coll. Laws

# Law of the National Council of the Slovak Republic from December 21, 1992

#### on art funds

The National Council of the Slovak Republic has adopted the following law:

#### FIRST PART

Legal position and mission of art funds

# **§**1

(1) The following art funds are being established to support creative literary, scientific and artistic activities:

a) A literary fund for creative activities in the areas of speech, theatre, film, radio, television and entertainment art with special attention to

- 1. original literature,
- 2. scientific and special literature,
- 3. journalism and photo journalism,
- 4. translation,
- 5. theatre, radio, film, television and entertainment art;

b) A music fund for the section of creative activities in music with special attention to

- 1. creative classical music,
- 2. popular music,
- 3. reproductive artists,
- 4. the science of music and criticism
- c) An art fund for creative activities in art with special attention to
- 1. the creation of original art,
- 2. architecture,
- 3. art photography,
- 4. restoration,
- 5. practical art,
- 6. art theory and criticism.

(2) The art funds (hereafter only "Funds") may furnish their sections with statutes for purposes according to para. 1.

(3) The Funds are legal entities that are registered in the trade register according to special regulations.1)

(4) Bratislava is the headquarters of the funds.

1) § 20b of Civil Code (full wording No. 47/1992 Coll.).

§ 2

(1) The Funds are national and cultural public and legal institutions.

(2) The main mission of the funds is to purposefully and objectively support creative literary, scientific and artistic activity in accordance with the national and cultural interests of Slovakia.

(3) The Funds will fulfill their missions especially by

a) creating material conditions for the origin of new works and artistic performances,
b) providing scholarships, especially long-term ones, creative grants, prestigeous prizes, travel contributions, loans to support creative activities and other forms of supports,

c) establishing and processing foundations in concordance with special regulations, 2)d) establishing and using the profits of the legal entities and intended equipment (e.g., houses).

(4) Details on the mission and tasks of the individual Funds and means for their implementation will be determined by their statutes, which will be approved by the Minister of Culture of the Slovak Republic (hereafter only "the Minister of Culture") based on proposals of the funds boards.

2) § 29 of the Trade Code.

§ 3

Sources of income

(1) The financial basis of the Funds' finances are contributions from recipients of authors' fees and fees of executive (reproductive) artists, contributions for using free works, contributions from users of works and contributions from fees and remunerations of producers and importers of unrecorded carriers of sound and sound and pictorial recordings and from fees and remunerations of lenders of recordings, sound recordings, videogram recordings and recordings of cinematic works.

(2) In addition to the contributions according to para 1, sources of income of the funds will be created by yields from doing business with personal property, presents, donations, contributions from the state culture fund, Pro Slovakia, sponsorship contributions, and inheritances as well as income from

foundations.

Fund and the administration of their sections

(1) The Funds will be administered by their boards and section committees. Section committee members will be elected by individual registered creative associations and professional organizations acting in the particular creative arena based on principles and rules contained in the statutes of individual funds. There is a valid principle that one member of a creative association and professional organization may be represented in a Fund by means of one association and one professional organization.

(2) The highest organ of the individual Funds are boards formed from representatives of the section committees.

(3) The Fund boards and committees of their sections will elect chairmen and vice-chairmen from their members .

(4) Authorized remuneration according to valid regulations belongs to costs that have originated based on a position on the board of a Fund and on a committee of a section.

(5) A Fund's activity is run by its director, who is nominated and withdrawn by the board of the Fund.

(6) The statutes of funds regulate the fund's representation in legal relations, methods of signing, voting, liability, internal relations, Fund financial auditing and other details on Fund activities.

PART TWO

Contributions of recipients of royalties and fees of executive (reproductive) artists to funds

# § 5

(1) Recipients of royalties and fees of executive (reproductive) artists will return a contribution in the amount of 2 % of their gross income to the Funds with exceptions given in paras. 2 and 3.

(2) Heirs to copyrights will return to Fund contribution in the amount of 3 %, if their annual income from royalties is higher than 50,000 Kčs; if this income is higher than 100,000 Kčs a year, they will return the contribution in the amount of 5 % of their total annual gross incomes.

(3) Contributions pursuant to para. 1 are not returnable from dependent activity. 3)

3) § 6 para. 1 letter a) of Law No. 286/1992 Coll. on income taxes.

**§** 4

(1) A legal entity and a physical person, 4) who pays a fee, can deduct the contribution according to § 5 para. 1, and in cases according to § 5 para. 2, they can deduct a contribution in the form of an advance payment in the amount of 2 %. They will charge and return the deducted sums for a calendar month always by the 20th day of the following month to a particular fund.

(2) Recipients of royalties, the fees of which provision § 5 on increasing the contribution refers, are obliged to remit to a particular fund the difference between the contribution paid in the form of an advance deduction and the contribution which they are obliged to reimburse no earlier than January 31 of the following year.

(3) Recipients of a fee will reimburse contributions from fees accepted from citizens directly to a Fund by January 31 of the following year.

4) Law No. 105/1990 Coll. on private business in the wording of Law No. 219/1991 Coll.

# § 7

(1) The Literary Fund will get contributions from fees for creating and using

a) artistic literary works with the exception of artworks related to them (para. 3) and musical works without a text /(para 2 letter a)/,

b) special literary works, scientific works literary and computer programmes,c) works used in journalism (contributions to the periodical press, radio and television) including photo journalism,

d) artistic performances performed during the presentation of artistic literary works, artistic performances performed during the presentation of musical works with a text, theatre works, during the creation of film works and works designated for radio or television broadcasting, with the exception of performances performed during the presentation of musical works without a text, which are connected to film work or a work designated for radio or television broadcasting /para 2 letter b)/.

(2) The Music Fund will get contributions from fees for creating and using

a) musical works without a text and the musical part of theatrical works, filmworks and artistic works used in radio and television,

b) artistic performances performed during the presentation of musical works without a text and th emusical part of theatrical works, filmworks and works used in radio and television,

(3) The Plastic Arts Fund will get contributions from fees for creating and using plastic art works including architectonic and works of restoration, as well as works of the applied arts and photographic

works, with the exception given in para 1 letter c).

**§ 8** 

The Funds stated in § 1 will get contributions from authors and executive (reproductive) artists who have a permanent residence in the Slovak Republic.

## § 9

The Funds are authorized to audit from accounting records and other documents of subjects paying fees facts decisive to the allocation of contributions and for their separate accounting according to the Funds, especially the basis for calculating of contributions, and data, what work or artistic performance the fee is paid for. The subjects are obligated to present the Funds only with total accountings of contributions divided according to the individual Funds.

# THIRD PART

Contributions for using free literary, scientific and artistic works and contributions of users of works

# FIRST VOLUME

#### Contributions for using free works

#### § 10

(1) A legal entity and a physical person entitled to engage in entrepreneurial activities according to special regulations who use literary, scientific or artistic work which is from the point of view of the copyright free, 5) is obligated to deduct a contribution for each use of the work.

(2) Contributions for using free works will be collected by the Funds. These contributions may also be collected by legal entities authorized to represent authors in the performance of their rights according to law.

5) § 35 of Law No. 35/1965 Coll. on literary, scientific and artistic works (the copyright).

# **§ 11**

(1) For publishing a free literary, scientific or artistic work in the form of non-periodical publication, the publisher will deduct a contribution in the amount of 2 % from incomes derived from the sale of the work.

(2) A publisher of a periodical print will deduct from the publishing of a free work stated in para 1 a contribution in the amount of 25 % of the usually given ordinary author's fee for the concordant method of use of a similar work which is not free.

# § 12

(1) For public presentation of a free theatrical work, including its musical and artistic portions, for broadcasting such works by radio and television, for presentation of sound records produced of these works for sale as well as for use of a free literary, scientific or artistic work for production of a film, a user of the work will deduct a contribution in the amount of 25 % of the sum which he would have been obligated to pay as a usual author's fee, if the work were not free.

(2) For public presentation of a free literary work, a user of the work will deduct a contribution in the amount of 20 % of the usual author's fee for such use that he would be obligated to pay if the work were not free.

(3) The contribution for the public presentation of a free work according to the provisions of paras 1 and 2 is not deducted if an entrance fee is not collected for the production.

#### § 13

For the public exhibition of a free work of the plastic arts, including a photographic work, a user of the work will pay a contribution in the amount of 5 % of a usual author's fee for such use, that he would be obligated to pay if the work were not free.

#### § 14

For the public non-theatrical presentation of a free musical work, a legal entity or a physical person, who has granted an exclusive right to give permission for such use of a work and collect for that author's fees, a contribution in the amount of 2 % of the net yield from the author's fees for such presentation obtained in a calendar year for all such musical productions.

#### § 15

For radio broadcasting of free literary and musical works, a user will pay a contribution in the amount of 0.14 % from license fees a year in such a way that the Literary Fund will get 40 % and the Musical Fund 60 % of such sum.

#### § 16

For television broadcasting of free literary works, musical works and works of the plastic arts, a user will pay a contribution in the amount of 0.1 % from license fees in such a way that the Literary Fund will get 50 %, the Musical Fund 35 % and the Fund of Plastic Arts 15 % of such sum.

For the sale of free sound and sound-pictorial records of non-theatrical works produced, their producer will pay from the total author's fees for use of literary or musical works a contribution that is for free works

a) of a literary kind (including musical works with a text) 5 %,

b) musical works without a text 15 %.

#### § 18

(1) For use of free works during the public projection of films or other commercial use of films, a user will pay a contribution in the amount of

a) 15 % of the total author's fees for projection and other commercial use of films for authors of their literary portion,

b) 10 % of the total author's fees for projection and other commercial use of films for authors of their musical portion,

c) 2 % of total author's fees for authors of plastic artworks, including photographic ones, for use of their works during the production of films charged in a current calendar year.

(2) A contribution according to para. 1 will be charged from the total author's fees charged within a taxation period.

#### § 19

(1) Contributions according to §§ 11 to 13 are due no later than four weeks from use of the work. Contributions according to §§ 14 to 18 are due no later than three months from use of the work.

(2) Contributions according to §§ 11 and 12 belong to the Literary Fund, according to § 13, to the Fund of Plastic Arts and according to § 14, to the Musical Fund.

#### SECOND VOLUME

Contributions of users of works

#### § 20

Users of works are obligated to pay a contribution for the use of works in the amount of 1 %, and that is true of

a) the publishing, distribution and sale of a work in the form of a non-unperiodical

publication from the sale price of all copies,

b) the printing of a work in a periodical print from the author's fee,

c) the public presentation of theatrical works from the total income from the entrance fee,

d) the presentation of sound and pictorial records for sale from the total income of records sold,

e) radio and television broadcasting from the total income from the entrance fee in such a way that the Literary Fund will get 50 %, the Musical Fund 35 % and the Fund of Plastic Arts 15 % of this sum,

f) the public projection of films from the total income from the entrance fee in such a way that the Literary Fund will get 50 %, the Musical Fund 35 % and the Fund of Plastic Arts 15 % of this sum,

g) the public non-theatrical presentation of musical works from the author's fee for each production,

h) the dissemination of copies of plastic artworks, including photographic works from the income of copies sold or copies disseminated free of charge from the author's fee,i) public exhibition of plastic artworks from the total income of the entrance fee,

j) use of architectonic works for spatial presentation or upon repeated use of these works from the cost of an architectonical project.

(1). Contributions of users of works according to § 20 are collected by the particular Funds as follows:

a) The Literary Fund will get the contributions stated in § 20 letter a) to d) (musical works with a text),

b) The Musical Fund will get the contributions stated in § 20 letter d) (musical works without a text) and letter g),

c) The Fund of Plastic Arts will get the contributions stated in § 20 letter h) to i.

(1). Pictorial and sound records that are the subject of the provisions of this volume, belong under the administration of the Literary Fund.

# § 22

Contributions of users of artistic works are due monthly by the tenth day of the following month. However, the Funds may permit users to pay in the form of an advance with a quarterly accounting.

# THIRD VOLUME

Financial Contributions

# § 23

Contributions for the use of free literary, scientific and artistic works together with the contributions of users of works are designated for the support of creative activities in all kinds of literature, science, and art, and are ensured by means of the Funds.

#### § 24

1. facts decisive for determination of contributions, especially for the basis of their calculation, must be announced to the Funds at their accounting.

2. If the contributions will not be paid to the Funds in time, the Funds have the right to demand compensation of expenses connected with their enforcement.

# FOURTH PART

# Final provisions

# § 25

The provisions of this law also refer in an appropriate way to fees and compensation of producers and importers of unrecorded carriers of sound and sound-pictorial records as well as to fees and compensation of borrowers of records, sound records, videogram records and records of cinematografic works.

# § 26

# Repealed are:

 Governmental regulation of the Slovak Socialist Republic No. 180/1969 Coll. on cultural funds, on contributions of recipients of author's fees and fees of executive artists to cultural funds, on contributions for use of free works of literary, scientific and artistic works and on contributions of users of works in the wording of the regulation of the Government of the Slovak Republic No. 337/1990 Coll., 2. With the validity for the Slovak Republic IIIrd part of Law No. 35/1965 Coll. On literary, scientific and artistic works (the copyright).

# **§ 27**

This law comes into effect on Janury 1, 1993.

I. Gašparovič in his own hand

V. Mečiar in his own hand

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