

LAW FOR THE FOSTERING OF THE
FILM ACTIVITY
IN THE DOMINICAN REPUBLIC

E L N V X P R E F C O H G E X
X P K C **O M G** B X P Q K O E B
R L V Q L T R D L N C E R T E Z A H
E F H N S I E K E S T R A T É G I C A

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LAW FOR THE **DEVELOPMENT**
OF FILM ACTIVITY
IN THE DOMINICAN REPUBLIC

No. 108-10 (as modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010)

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PROLOGUE

The promulgation of the Law for the Promotion of Film Activity this past November 18, 2010 constitutes a step forward that creates the conditions so that the Dominican Republic can become a recipient of large film projects, both national and foreign.

Since our arrival to government, we have worked on the creation of a suitable climate for the country to seize the film and audio-visual activity as a vehicle to promote the cultural roots, habits, customs and lifestyle of the Dominicans.

The creation, approval and promulgation of the Film Law creates the legal framework so that both the public and private sector can make of it the best tool to place the national seal in movie theaters at a global scale.

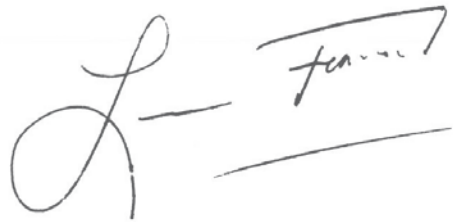
The State institutions under our direction are committed to the fostering of the film industry. We are aware that without their support, this important activity will not be able to reach the dynamics, investments and the commercialization required so as to always rely on the participation of all of the sectors.

The fact that in the Dominican territory, the private sector has set sight on a segment as diverse as the film industry and television production, means that the country, in the medium and long term, will have a new thriving economic activity that will also constitute a source of job creation and of foreign currency generation.

Our government reiterates its commitment to this industry of entertainment and culture, which linked to tourism, will contribute to more strongly promote the identity of the Dominican Republic.

The approval and promulgation of the referenced law, forms part of the effort that our government has been making in the execution of profound institutional reforms that place the country in the capacity to receive national and foreign investments within a framework of trust and legal security.

I want to express my congratulations to all the sectors involved in the creation, discussion and approval of this new legal framework, which undoubtedly symbolizes the beginning of the sure success of the film industry in the Dominican Republic.

A handwritten signature in black ink, consisting of a large, stylized initial 'L' followed by a horizontal line and the name 'Fernández' written in a cursive script.

Leonel Fernández

President of the Dominican Republic



TRANSLATOR'S NOTE

The following is a free translation of the Law No. 108-10 (as modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010), which reproduces the general meaning of the text, and it may or may not follow closely the form and organization of the original text. For translation purposes, errors and omissions included in the original text have been interpreted in the context of such text.

The acronyms contained in this translation, appear as they are presented in the Spanish version of the text as the meaning of the acronym is not necessarily associated with the actual words that make up such acronym.

For better understanding throughout the text, the following acronyms shall have the following meanings in English:

- 1. CEI-RD:** Center for Export and Investment of the Dominican Republic. As per its denomination in Spanish, Centro de Exportación e Inversión de la República Dominicana.
- 2. CIPAC:** Intersectoral Council for the Promotion of the Cinematographic Activity in the Dominican Republic. As per its denomination in Spanish, Consejo Intersectorial para la Promoción de la Actividad Cinematográfica en la República Dominicana.
- 3. DGCINE:** General Film Office. As per its denomination in Spanish, Dirección General de Cine.
- 4. DGII:** General Tax Authority. As per its denomination in Spanish, Dirección General de Impuestos Internos.
- 5. FONPROCINE:** Cinematographic Promotion Fund. As per its denomination in Spanish, Fondo de Promoción Cinematográfica.
- 6. ITBIS:** Value Added Tax. As per its denomination in Spanish, Tax on Transfer of Industrial Goods and Services.
- 7. PRO-INDUSTRIA:** Centre for Industrial Development and Competition. As per its denomination in Spanish, Centro de Desarrollo y Competitividad Industrial.
- 8. SIRECINE:** National System of Cinematographic Information and Registry. As per its denomination in Spanish, Sistema de Información y Registro Cinematográfico Dominicano.

FOREWORD

FIRST WHEREAS: That the protection of the country's artistic and historic wealth is a constitutional mandate, as it comprises part of the nation's cultural heritage;

SECOND WHEREAS: That the Law No. 41-00 of June 28, 2000, that creates the Secretary of State for Culture, grants the Ministry of Culture the legitimate capacity of executing and implementing the policies, plans, programs and cultural development projects, as well as serving as a liaison with the public and private institutions, on a national and international level;

THIRD WHEREAS: That cinematographic and audiovisual activity, are cultural expressions that generate social identity and impact, while representing a cultural industry with particular economic characteristics;

FOURTH WHEREAS: That without the incentives and the State's support, the production of national films is a difficult endeavor from an economic and technical stand-point, facing deep structural barriers that affect its competitiveness with other audiovisual products in the local and external spheres. Therefore, joint actions from public and private institutions are required, in order to ensure its functionality and efficiency as a cultural and creative industry of great economic, social and educational impact;

FIFTH WHEREAS: That the territory of the Dominican Republic is a strategic and privileged place, that must be promoted as a venue for the filming of national and foreign films, so as to contribute to the national economy and the dynamization of foreign investment in the country;

SIXTH WHEREAS: That institutions such as the Center for Export and Investment of the Dominican Republic (CEI-RD), the Ministry of Industry and Commerce, the Ministry of Tourism and PRO-INDUSTRIA, are vital for the interaction of production, investment and commerce, within the scheme of sector inclusion according to the inherent dynamics of cinematographic activity;

SEVENTH WHEREAS: That the Constitution of the Dominican Republic, in its article No. 221, establishes that: entrepreneurial activity, in all its forms, receives the same treatment before the law, and guaranties equality of conditions for national and foreign investment;

SEEN: The Constitution of the Dominican Republic;

SEEN: The General Agreement on Tariffs and Trade (GATT), commercial multilateral agreement of the Uruguay Roundtables, approved by the National Congress and promulgated by the Executive Power by means of the Decree No. 2-95 of January 20, 1995;

SEEN: The Convention on the Protection and Promotion of the Diversity of Cultural Expression, of October 20, 2005;

SEEN: The Law No. 290-66, of June 30, 1966, that creates the Secretary of State of Industry and Commerce;

SEEN: The Law No. 318, of June 14, 1968 on the Cultural Heritage of the Nation;

SEEN: The Law No. No.50-88, of May 30, 1988, on drugs and other dangerous substances;

SEEN: The Law No. No.11-92, of May 16, 1992, that establishes the Tax Code;

SEEN: The Law No. 41-00, of June 28, 2000, that creates the Secretary of State of Culture;

SEEN: The Law No. 65-00, of August 21, 2000, on Copyright;

SEEN: The Law No. 98-03, of June 17, 2003, that creates the Center for Export and Investment of the Dominican Republic (CEI-RD);

SEEN: The National Culture Council Resolution No. 1-04, of September 17, 2004, that creates the National Film Authority (DINAC);

SEEN: The National Congress Resolution No. 453-08, of October 15, 2008, that approves the Agreement for the Economic Partnership between the European Community and the CARIFORUM States (EPA);

SEEN: The National Congress Resolution No. 357-05, of September 9, 2005, that approves the Free Trade Agreement between the Dominican Republic, Central America and the United States of America (DR-CAFTA).

HAS APPROVED THE FOLLOWING LAW:



CHAPTER I

Scope, Object, General Purpose And Definitions Of The Law

SECTION I SCOPE

Article 1.- Scope. The law is addressed to natural or legal persons that carry out activities in the Dominican Republic pertaining to cinematographic and audiovisual creation, production, distribution, exhibition and training, and related technical industries.

Covers activities pertaining to cinematographic and audiovisual creation, production, distribution, exhibition and training, and related technical industries.

SECTION II OBJECT

Article 2.- Object. The object of this law is to propitiate a progressive, harmonic and equal development of national cinematography, and, in general, to promote cinematographic activity in the Dominican Republic through:

- 1) The normative framework for cinematographic and audiovisual production, and the cinematographic and audiovisual activity developed in the Dominican Republic;
- 2) The promotion and advancement of the production, distribution and exhibition of cinematographic and audiovisual works, as well as the establishment of the conditions that favor their creation and diffusion, and the establishment of measures for the conservation of the cinematographic and audiovisual heritage;
- 3) The promotion of the cinematography from a national identity context, and the cultural and educational development;
- 4) The feasible and effective advancement of cinematographic education, training and research.

SECTION III GENERAL PURPOSE

Article 3.- Nature of Cinematographic Activity. The cinematographic activity is of public and social interest, given its nature associated directly to the Nation's heritage, the formation of a collective identity and to the State's economic interests and social goals.

Article 4.- General Purpose. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The general purpose of the law in the field of the cinematographic industry in the Dominican Republic, is:

- 1) Promoting the sustainable and dynamic growth of the cinematographic industry in the country;
- 2) Creating concrete means for a productive return amongst the sectors which integrate the cinematographic and audiovisual industry; stimulating domestic and foreign investment in the production of goods and services that comprise this cultural industry and facilitate the cinematographic business;
- 3) Contributing, through all means available, to the achievement of the industrial and artistic development of national cinematography, and to the protection of the Nation's audiovisual heritage and cultural diversity;
- 4) Promoting the conservation, preservation and dissemination of the Dominican cinematography, as a means of generating a collective and particular imagination and memory, and as a means of expressing national identity;
- 5) Advancing the development of the Dominican cinematographic industry through the incentive of foreign investment in favor of the production of cinematographic and audiovisual works;
- 6) Advancing technical and artistic education and training in the cinematographic area, by means of technologic and knowledge exchange with foreign cinematographic agents, through incentives for investment in our cinematographic industry.
- 7) Promoting the national territory and the cinematographic services, installed or to be installed, in order to attract the filming and production of foreign cinematographic works, and in general, the production of audiovisual works in the country;
- 8) Developing the training methods for audiovisual creation, as well as for reading and comprehension of audiovisual content and concepts, with the

purpose of promoting a critical and creative approach toward these types of cultural contents and their relationship towards social life.

Article 5.- Compliance with the general purpose. In the field of cinematographic activity in the Dominican Republic, the general purpose of the law is met by all national instances and in particular through the Ministries of the State in the spheres of culture, education, technology and economy, as well as through the competent territorial authorities.

Article 6.- Public action instruments. In order to achieve the purpose and objectives identified in this law, State institutions must develop, through regulations and suitable policies, the following instruments and measures:

- 1) Coordination and restructuring of the public administration entities related to cinematographic activity, and establishing the necessary bodies in order to consolidate such activity;
- 2) Channeling the resources generated by existing taxes on cinematographic goods and services, towards that same sector, as established in this law;
- 3) Establishment of a taxation regime that stimulates cinematographic activity in the Dominican Republic and national and foreign investment in this field;
- 4) Facilitation of procedures in the customs and administrative fields, and establishment of a special tariffs regime for the production processes of national and foreign films in the Dominican territory.
- 5) Facilitation and stimulus of the import of commodities, capital, equipment, procurement of services related to cinematographic activity, and establishment in the country of businesses and technical services, particular to cinematographic activity;
- 6) Promoting the means that allow cinematographic activity to access the credit and stimulus system intended for business and industries in the country;

7) Promotion of educational and training plans that are consistent with the purposes of this law.

8) Establishing a National System of Cinematographic Information and Registry.

SECTION IV DEFINITIONS

Article 7.- Definitions. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). In this law, the following terms shall have the following meanings:

1) Cinematographic activity in the Dominican Republic. Interrelationship between the cinematographic industry and national cinematography.

2) Agents or sectors of the cinematographic industry. Producers, distributors, exhibitors, cinematographic studios, technical service providers or any other natural or legal person involved or participating in the cinematographic industry or in the creative, artistic, authorial, technical processes or directly associated to this cultural industry.

3) Dominican Nationality Certificate. Document to be issued by the General Film Office (DGCINE) to the cinematographic and audiovisual works produced domestically, as established by the numerals 16, 17 and 18 of this article.

4) Documentary film. Cinematographic work characterized by a minimal manipulation of the content shown, which is filmed in a pure and objective manner.

5) Alternative or experimental film. Cinematographic language that does not follow the guidelines of the classical paradigm, with a content that is generally abstract.

6) Dominican Cinematheque. Showroom to develop cinematographic activities that is also provided with a storage space where filmic material

Dominican Nationality Certificate issued to those productions that comply with the requirements established in numerals 16, 17 and 18 of the Law.

Dominican Cinematheque. See Chapter VII.

of national and foreign relevance is preserved. Its mission is to safeguard and spread the national and human film heritage.

7) National Cinematography. The joint public and private actions that are combined to produce the artistic and industrial development of the creation, national audiovisual production, as well as to promote the realization, production, dissemination and access by the national and international community, in addition to its conservation and preservation.

8) Cinematographic coproduction. Cinematographic work that is carried out by two (2) or more producers. The production and coproduction of cinematographic works that could be developed by natural or legal persons.

9) Screening Quota. Minimum percentage of Dominican Cinematographic works to be shown by exhibitors in movie theaters.

10) Production Designer. The person in charge of coordinating the crew and supervises that it complies with the overall aesthetics of the film, creates the general aspect of the film and helps the director to obtain the desired effect.

11) Distributor. Natural or legal person dedicated to marketing the exhibition rights of cinematographic works in any medium.

12) Cinematographic exhibitor. Natural or legal person that is in charge of the exploitation of a movie theater, as owner, lessee, licensee, or under any other way that grants such right.

13) Cinematographic industry. The industry that interrelates the activities of production of goods and services in the field of cinematography.

14) Audiovisual work. Any creation expressed through a series of associated images that provide the sensation of movement, with or without

incorporated soundtrack, essentially intended to be shown through proper devices or through any other means of image or sound projection or communication, independently of the nature or characteristic of the material support that contains it. Audiovisual works include cinematographic works and all other works expressed by similar means to cinematography.

Cinematographic works.

15) Cinematographic works. Any work specific to cinematographic language referring to real or fictional events, that results from the fixing of images, with or without sound, through means that are capable of being perceived by human sight, in such a way that when reproduced, the impression of movement is generated. All this, regardless of the physical support that is used, the technology that allows the fixing of the images or sounds, and the means used for their reproduction or dissemination. The works for movie theaters, video, DVD, compact disc, or any other physical support, through digital procedures, analogue, or any other that could be invented in the future with the same purpose, will be considered as Cinematographic works.

*Requirements to qualify as a Dominican full-length cinematographic work.
Equivalent terms:
"Dominican full-length film"; "Dominican feature film"; "Dominican full-length cinematographic work".*

16) Dominican full-length cinematographic work. Is one that being made either as a single production, or as a coproduction, including foreign participation, incorporates the following requirements:

- 1) That Spanish is its spoken language ;
- 2) A minimum duration of seventy (70) minutes for movie theaters and other exhibition means;
- 3) That the invested capital of a Dominican source is not less than twenty percent (20%) of its budget;
- 4) That at least one Dominican producer is participating;
- 5) It must have a minimum of artistic Dominican participation, as follows:
 - a) The director of the cinematographic work or
 - b) One (1) leading actor or

Minimum requirements of Dominican artistic participation.

c) One (1) supporting actor and at least two (2) of the following persons: director of photography or production designer, artistic or theatrical director; author or authors of the screenplay or script; music author or authors; graphic artist, in case of animated films, editor and sound designer. The participation of actors is not required, if the genre of the cinematographic work does not require so;

6) It must have a minimum technical participation of Dominicans of at least four (4) of the following positions: sound operator, camera operator, assistant camera operator, lighting technician, script supervisor, sound mixer, makeup artist, wardrobe; set designer and casting agent;

7) For the purpose of this law, the following terms are considered to be equivalent: "Dominican full-length film"; "Dominican feature film"; "Dominican cinematographic full-length film";

17) Dominican cinematographic short film. Is one that being made as single production, or as a coproduction, even with foreign participation, incorporates the following requirements:

- 1) That spoken language be Spanish;
- 2) That has a maximum duration of 25 minutes;
- 3) That the invested capital of a Dominican source is not less than twenty percent (20%) of its budget;
- 4) That at least one Dominican producer is participating;

5) It must have a minimum Dominican artistic participation, as follows:

- a) The director of the cinematographic work, or
- b) One (1) leading actor, or
- c) One (1) supporting actor and at least two (2) of the following persons: director of photography; production designer; artistic or theatrical director; author or authors of the screenplay or script; music author or authors; graphic artist, in case of

Minimum requirements of Dominican technical participation.

Requirements to qualify as a Dominican cinematographic short film.
Equivalent terms: Dominican short film"; "Dominican short film"; "Dominican cinematographic short film".

Minimum requirements of Dominican artistic participation.

Minimum requirements of Dominican technical participation.

animated films; editor and sound designer. The participation of actors is not required, if the genre of the cinematographic work does not require so;

6) It must have a minimum technical participation of Dominicans, of at least four (4) of the following positions: sound operator, camera operator, assistant camera operator, lighting technician, script supervisor, sound mixer, makeup artist, wardrobe artist; dresser and casting agent.

7) For the purpose of this law, the following terms are considered to be equivalent: "Dominican short film"; "Dominican cinematographic short-length film".

18) Dominican cinematographic medium-length film. One that meets the artistic, technical and economic participation conditions established for the cases of feature films and short films, and which has an intermediate duration.

19) Foreign film. One that does not meet the requirements to be considered as a Dominican cinematographic work;

Film Permit required to film in the Dominican territory and to benefit from the incentives, as established in article 33. See article 44 for application requirements.

20) Filming Permit. It is the compulsory permit issued by the General Film Office (DGCINE) to films that would be shot within the Dominican territory.

Cinematographic production includes the stages of research, preproduction or development, postproduction, as well as promotion and distribution by the producer.

21) Cinematographic production. Systematic set of creative contributions and intellectual, technical and economic activities leading to the creation of an audiovisual work; production includes the stages of research, preproduction or development of filming projects and postproduction, as well as the activities of promotion and distribution by the producer.

22) Cinematographic producer. Natural or legal person responsible for the implementation and coordination of the financial, technical, material and human resources that allow the completion of a cinematographic work.


23) Artistic, alternative and experimental movie theater. Public or private space dedicated to the

exhibition of audiovisual material that, given its content and quality, is not commonly shown in commercial movie theaters. Its specialty situates it in a category that defines its mission: creation of new audiences, formed in an aesthetic category that allows it to value the seventh art, from a more specialized perspective.


24) Movie theater. A facility open to the public, equipped with a projection screen, that grants access rights to the projection of films contained in any medium, by paying a price or against any other payment form. This concept is analogous to “screen” or “showroom”.

25) National Cinematography Seal. Figurative sign that identifies Dominican Republic as a country where an audiovisual or cinematographic work is partially or totally made, and which shall be placed and displayed whenever such work has been done under the benefits of the incentives and/or stimuli contained in this law.

26) Technical Services. Specialized services in the cinematographic industry oriented towards satisfying technical demands and/or provide or operate goods and equipment required in the stages of Pre-production, Production and Postproduction.



National Cinematographic Seal to identify Dominican Republic as a country where audiovisual or cinematographic works are partially or totally made.



Technical Services specialized in the cinematographic industry.



CHAPTER II

General Film Office (DGCINE)

Article 8.- Creation of the General Film Office.

(Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The General Film Office (DGCINE) is hereby created, under the Ministry of Culture, as a decentralized organ of the State with legal personality and administrative, financial and technical autonomy.

Article 9.- Designation of the Director of the General Film Office (DGCINE).

(Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The President of the Republic shall designate the Director of the General Film Office (DGCINE).

Article 10.- Attributions.

(Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). Within the attributions conferred by the law, the General Film Office (DGCINE) promotes and encourages the development of a national film industry, as well as other aspects related to the cinematographic and audiovisual development, specially:

- 1) Supporting the Ministry of Culture in defining the public policy in the cinematographic and audiovisual field;
- 2) Coordinating and regulating the execution of the policies for cinematographic and audiovisual activities in matters relating with the scope of application of this law;
- 3) Encouraging the development of the production and promotion of the cinematographic and the audiovisual industry, considering the modernization and internationalization of the national film industry;
- 4) Classifying the movie theaters according to their physical characteristics, prices and the types of films that these exhibit. This classification must also take into account, elements pertaining to the type and quality of the projection. It is an obligation of the exhibitors to publicly announce and maintain the assigned classification, except if its condition is amended;

DGCINE: decentralized organ of the State, under the Ministry of Culture.

Attributions of DGCINE.

- 5) Promoting policies directed to national investors or public and private foreign financial institutions and commercial investors, so that such policies create financial soft spots that facilitate the development of the cinematographic and audiovisual activity in the national territory;
- 6) Supporting, within the framework of the tax legislation, the application of the different measures or schemes that contribute to the encouragement of the cinematographic and the audiovisual industry;
- 7) Signing collaboration agreements with public or private, national or international entities, necessary for the promotion of cinematographic and audiovisual activities, as well as for the training of professionals;
- 8) Collaborating with the different educational authorities to promote knowledge and the dissemination of the film industry in different educational levels;
- 9) Developing the market for national and foreign cinematographic and audiovisual works, stimulating the creation of new audiences and reinforcing the conditions for the expansion and independence of the national film industry;
- 10) Disseminating and promoting the cinematographic and audiovisual sector of the Dominican Republic, on a national and international level;
- 11) Gathering cultural statistics and indicators on the Dominican cinematographic industry, that serve as a benchmark to measure its development;
- 12) Promoting the labor of the competent bodies to act against illegal activities that hamper intellectual property rights and especially in preventing the former. Additionally, it shall collaborate with any other body or entity in such activities that aim at the protection and defense of intellectual property;

- 13) Promoting research and development activities;
- 14) Establishing measures to promote gender equality;
- 15) Establishing an updated cartography that identifies the national territory and the characteristics of the natural locations, as well as the infrastructure that could be used;
- 16) Representing the Dominican Republic in official activities of its competency;
- 17) Promoting support programs for film schools;
- 18) Establishing awards in recognition of a professional career;
- 19) Evaluating the requests and issuing the Dominican Nationality Certificates;
- 20) Evaluating the requests and issuing the Filming Permits.

DGCINE must establish a cartography that identifies the national territory and the characteristics of the natural locations, as well as the infrastructure that could be used.

Issuing the Dominican Nationality Certificates.

Issuing the Filming Permits.

Article 11.- On the budget of the General Film Office. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The annual budget of the General Film Office (DGCINE) must be established, upon approval of the CIPAC, based on the annual programming of activities, and charged to the Cinematographic Promotion Fund (FONPROCINE) without prejudice to other funds that it might receive through the State's General Budget and from the execution of international cooperation agreements or conventions.



CHAPTER III

Intersectoral Council for the Promotion of Cinematographic Activity in the Dominican Republic

Article 12.- Creation of the council. The Intersectoral Council for the Promotion of the Cinematographic Activity in the Dominican Republic (CIPAC) is hereby created, which would serve as the highest body of the General Film Office (DGCINE).

Article 13.- Membership of the CIPAC. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The CIPAC is comprised as follows:

- 1) The Minister of Culture or vice-minister, who will preside it;
- 2) The Minister of Tourism or a vice-minister;
- 3) The Director or a sub-director of the General Tax Authority (DGII);
- 4) The Director of the General Film Office (DGCINE), who serves as secretary without the right to vote;
- 5) The Executive Director or a sub-director of the Center for Export and Investment of the Dominican Republic (CEI-RD);
- 6) The General Director or a sub-director of PROINDUSTRIA;
- 7) A representative of the cinematographic academic institutions, designated by the latter;
- 8) A representative of the exhibitors, designated by the association(s) that represent(s) them;
- 9) A representative of the distributors, designated by the association(s) that represent(s) them;
- 10) A representative of the film professionals, designated by the association(s) that represent(s) them;
- 11) A representative of the film studios, designated by the association(s) that represent(s) them;

Paragraph I.- The members of the CIPAC perform their duties for no remuneration.

CIPAC as highest body of the DGCINE.

Private sector representatives.

Paragraph II. The private-sector members of the CIPAC will perform their functions for a period of two (2) years;

Paragraph III. The members of the CIPAC, acting personally or by means of related corporate entities, may not access any of the incentives or stimuli of the FONPROCINE.

Duties of the CIPAC.

Article 14.- Duties of the CIPAC. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The CIPAC exercises the following duties:

1) Allocating the resources of the Cinematographic Promotion Fund (FONPROCINE), in accordance with the provisions of this law;

2) Establishing, within the last two (2) months of each year, by an administrative act provided with general character, the activities, percentages, amounts, limits, procedures, lines of expenditures for each year, within the parameters established in this law as well as other requirements and conditions necessary to grant incentives with resources from FONPROCINE during the following year;

3) Serving, alongside the Film Advisory Commission, as an advisory body of the Ministry of Culture in matters pertaining to the determination of the cinematographic policy in the Dominican Republic;

4) Approving the programs and projects presented to the General Film Office (DGCINE), by natural and/or legal persons;

5) Providing financial assistance to the production and making of Dominican cinematographic works through the Cinematographic Promotion Fund (FONPROCINE), pursuant to the requirements and limitations of this law and its regulations.

6) Requesting to public and private entities, the necessary information and necessary collaboration needed for exercising its attributions;

Approving the programs and projects presented to the DGCINE.

Providing financial assistance to the production of Dominican cinematographic works through the FONPROCINE.


7) Elaborating and approving internal regulations, necessary for the organization and operation of the Fund for the Promotion and Incentive of the Cinematographic Investment.

Article 15. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The CIPAC, DGCINE and the Ministry of Culture will be advised on film matters by a consultancy body that shall have as main purpose the promotion of development policies of the national cinematographic activity and foreign investment in the sector. This body shall be known as Film Advisory Commission, and shall consist of a maximum of twelve (12) members, who will be designated by the Executive Power for a period of four years.

Paragraph: The members of the Commission shall be professionals and entrepreneurs related to the cinematographic sector and will exercise their duties free from remuneration.

Article 16. Technical and Logistic Secretariat of the CIPAC. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The Technical and Logistic Secretariat of the CIPAC is bestowed on the General Film Office (DGCINE).

Paragraph. The CIPAC may engage expert services for the selection and evaluation of the projects that aim at obtaining incentives from the FONPROCINE.

 *Film Advisory Commission, consisting of a maximum of 12 members, who will be designated by the Executive Power. It shall be an advisory body on film matters of the CIPAC, DGCINE and the Ministry Culture.*



CHAPTER IV

Dominican System of Cinematographic Information and Registry

Article 17.- Dominican System of Cinematographic Information and Registry. The Dominican System of Cinematographic Information and Registry is hereby established, known as SIRECINE.

SIRECINE:
Dominican System
of Cinematographic
Information and Registry.

Paragraph.- The General Film Office (DGCINE) is in charge of the SIRECINE.

Article 18.- Objectives of the SIRECINE. The objectives of the SIRECINE are:

- 1) Keeping records and information on the agents or participating sectors of cinematographic activity in the Dominican Republic;
- 2) Keeping records on the commercialization of works through different means or devices;
- 3) Keeping a permanent record on the attendance levels at movie theaters.

Article 19.- Qualifying for the incentives. In order to become beneficiaries of the incentives established in this law, Dominican cinematographic production agents must be previously registered at the Dominican System of Cinematographic Information and Registry.

Registration requirement
at the SIRECINE in order
to benefit from the
incentives established in
this law.

Article 20.- Movie theater registry. No movie theater or public exhibition place of cinematographic works can open nor operate in the national territory, without prior registration at the General Film Office (DGCINE).

Paragraph I.- The registration of movie theaters or exhibition places referred to in this article, must be subsequent to the processing of permits and licenses required by other public authorities.

Paragraph II.- All registrations made prior to this law are valid.

Article 21.- Movie theater closure registration. It is an obligation of the exhibitors and owners of

Delivery of information to DGCINE by producers, distributors, exhibitors and public authorities.

movie theaters, to register the closure of any movie theaters at the General Film Office (DGCINE), in accordance with the implementation regulations;

Article 22.- Delivery of information by the agents of the cinematographic activity.

Cinematographic producers, distributors, exhibitors and public authorities must provide to the DGCINE, the information that such institution might require with regards to the commercialization of cinematographic works in the country, specially in relation to budgets and sales of such works, location where the negatives are kept, access to benefits of any nature established in existing norms and this law, attendance per movie theaters, number of national and foreign titles exhibited per year and exhibition periods of cinematographic works per movie theater.

Article 23.- Registration Fee. In order to accomplish the objectives of this law, it is hereby created a fee for the services of Enrolment and Registration of the Cinematographic and Audiovisual Industry. The General Film Office (DGCINE) will have the faculty of fixing, approving and adjusting such fee in the regulation of this law.

DGCINE shall establish rules on minimum exhibition thresholds (percentages) of national titles and screen quotas in movie theaters.

Article 24.- Minimum exhibition percentages for national titles. Should the conditions of the national cinematography require it, the DGCINE shall establish rules on minimum exhibition percentages of national titles, screen quotas in movie theaters or any other means of exhibition or commercialization of cinematographic works, including national open television.

Paragraph I.- This type of measure must be adopted whenever the circumstances require it, in coordination with the agents involved in cinematographic activity.

Paragraph II.- These measures may be differential, depending on the territorial coverage of the theaters, their classification and the levels of potential spectators in the municipalities with exhibition infrastructure.



CHAPTER V

Cinematographic Promotion Fund

FONPROCINE:
Cinematographic
Promotion Fund,
administered by the
CIPAC through the
DGCINE.

Article 25.- Creation. The Cinematographic Promotion Fund (FONPROCINE) is hereby created and shall be administered by the Intersectoral Council for the Promotion of Cinematographic Activity (CIPAC), through the General Film Office (DGCINE). The FONPROCINE shall be for the development and permanent promotion of the national cinematographic and audiovisual industry, providing a system of financial support, guarantees and investments in benefit of national film producers, distributors, traders and exhibitors of national films, as well as for the development of training policies in the cinematographic field.

Article 26.- Resources of FONPROCINE. The Cinematographic Promotion Fund is provided with the following resources:

- 1) The resources assigned in the State's General Budget;
- 2) The amount corresponding to revenues obtained on taxes on box office or movie theater entrance fees paid by the customers to the exhibitors, and collected by the corresponding authorities;
- 3) 100% of the income generated by the Tax on Transfer of Industrial Goods and Services (ITBIS), on sales and film rentals in establishments engaged in this business or any other tax replacing it;
- 4) 100% of the income generated by the Tax on Transfer of Industrial Goods and Services (ITBIS), on product sales in movie theaters, or any other tax replacing it;
- 5) The funds derived from the operations, financial yields, sales or liquidations of its investments and other resources that are generated, capitalized or reserved by the FONPROCINE;
- 6) The national or international donations, transfers and contributions received in cash;
- 7) The funds derived from the penalties imposed in accordance with this law;

- 8) Any other resources that are assigned in the State's General Budget;
- 9) The interests and income from its financial deposits and certificates;
- 10) The funds derived from the repayment of credits granted by virtue of the application the law;
- 11) The unused resources from previous years;
- 12) The income derived from the sale of editions, publications and other material produced by the fund;
- 13) Any other income assigned to it by the law or legal business;
- 14) Any unexpected income received by the Cinematographic Promotion Fund.

Article 27.- On the control bodies. The organs of State control and supervision exercise control and vigilance on the use of the resources of the FONPROCINE.

Article 28.- Purpose of the FONPROCINE. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The resources of the FONPROCINE are destined for the following purposes:

- 1) Promoting, encouraging and developing educational plans and training programs in the areas of cinematography and other aspects related to the law;
- 2) Promoting and stimulating the production and making of Dominican cinematographic works, as well as the production and dissemination of the national cinematography and related educational activities;
- 3) Conservation and preservation of the Dominican cinematography and audiovisual memory, as well as the universal (memory) of particular cultural value,

including the purchase of goods and inputs necessary for the adequate allocation, conservation and preservation, through the specialized instances or bodies;

4) Research in the cinematographic activity field, in a manner that may contribute to the establishment of national policies in this area, and to stimulate training in different areas of cinematography;

5) Actions against copyright violations in the marketing, distribution and exhibition of cinematographic works;

6) Establishment of the Dominican System of Cinematographic Information and Registry (SIRECINE);

7) Promotion of the Dominican Republic as a destination for foreign film production.

No Dominican cinematographic work may receive stimuli from the FONPROCINE of more 70% of the Dominican budget in such film.

Article 29.- Limit to the Stimuli of the

FONPROCINE. No Dominican cinematographic work may receive stimuli from the FONPROCINE of more 70% of the Dominican budget in such film, pursuant to the limits on the budget as fixed by the Intersectoral Council for the Promotion of Cinematographic Activity in the Dominican Republic, and without taking into account additional costs that the producer freely assumes.

Exclusions on FONPROCINE's funds.

Article 30.- Exceptions to the Resources of the

FONPROCINE. The following audiovisual or cinematographic works may not benefit from the promotion measures established in this law:

- 1) Films made for TV films and soap operas;
- 2) Cinematographic works that are wholly financed by public institutions;
- 3) Those with a content that is essentially for advertising purposes and/or political propaganda;
- 4) Those that hamper or disrespect the Dominican legal system and this law's regulation;
- 5) Those that were to constitute an offense under a definitive judicial decision.

Article 31.- Use, allocation and management of FONPROCINE's resources. The administration of the FONPROCINE, regarding decisions on the use, allocation and resource management, is a responsibility of the Intersectoral Council for the Promotion of Cinematographic Activity in the Dominican Republic (CIPAC).

Article 32.- National Congress for the Cinematographic Development. The General Film Office (DGCINE) must conduct a yearly national congress to promote cinematographic training, and the production, distribution and exhibition of cinematographic works.

Tha CIPAC is responsible for the use, allocation and resource management of FONPROCINE's funds.



CHAPTER VI





Incentives Scheme for the Cinematographic Activity in the Dominican Republic





Article 33.- Requirements to qualify for the incentives. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The natural or legal persons who administer, support, promote or develop cinematographic and other audiovisual works may benefit from tax incentives to cinematographic activity in the Dominican Republic, whenever such works meet the requirements set forth below:

- 1) That the work to be completed has a Filming Permit.
- 2) Be provided with a liability insurance policy that covers cases of damages and injuries caused to third parties;
- 3) Be registered at the Dominican System of Cinematographic Information and Registry (SIRECINE), except for foreign films produced in the Dominican Republic, which would only be required to comply with the provisions established in numerals 1, 2 and 5 of this article.
- 4) That twenty percent (20%) of the budget of the cinematographic or other audiovisual work being developed, is spent in the Dominican Republic; or that the Dominican capital is not less than twenty percent (20%) of its budget; and,
- 5) To have a minimum participation of Dominicans in accordance with this law.

Paragraph I.- Foreign films completely or partially produced in the Dominican Republic, will benefit from all the incentives established in this law, except for the benefit of using the FONPROCINE's funds.

Paragraph II.- The General Film Office may reduce the participation of Dominican personnel previously established, in case that the Dominican Republic cannot meet the demand of skilled personnel for the functions to be implemented in the cinematographic films or other audiovisual works to be developed.




 Foreign films produced in the Dominican Republic will benefit from all the incentives established in this law.




 The General Film Office may reduce the participation of Dominican personnel.

The fiscal incentives established in this law, also apply to made for TV films, television series and miniseries for national and foreign distribution, documentaries, soap operas and music videos.

Those who invest in entities whose exclusive purpose is the production of Dominican films, would have the right to deduct 100% of the actual invested value from the Income Tax, during the fiscal period in which the investment is made.

The amount to be compensated from the Income Tax shall not exceed 25% of the tax that is due in the fiscal period in which the investment is made.

Incentive on donations.

Paragraph III.- In addition to cinematographic works, the following audiovisual works may benefit from the fiscal incentives established in this law: made for TV films, television series and miniseries for national and foreign distribution, documentaries, soap operas and music videos. These audiovisual works must be provided with a rating from the DG-CINE, pursuant to the criteria established by Regulation and the national cinematographic policy.

Paragraph IV.- The natural and legal persons, domestic or foreign, that opt for any of the fiscal or promotion incentives established in this law, must include the National Cinematographic Seal in their works, in accordance with the parameters and conditions established in the Regulations for implementation.

Article 34.- Tax incentive to the investment in national cinematography. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). The legal persons who invest in entities whose exclusive purpose is the production of Dominican cinematographic full-length works previously approved by the General Film Office (DGCINE), shall have the right to deduct one hundred percent (100%) of the actual invested value from the Income Tax it is subject to, during the fiscal period in which such investment is made.

Paragraph I.- The amount that can be set-off from the Income Tax to which is referred to in this article, shall not exceed 25% of the taxes to be paid in the fiscal year of the year in which the investment is made.

Paragraph II.- In the case of donations made, these should be deductible up to five percent (5%) of the taxable income of the year, in accordance with the provisions of the Dominican Tax Code.

Paragraph III.- In case of donations to the FON-PROCINE, a Certificate of Cinematographic Donation would be issued by the General Film Office (DGCINE).

Paragraph IV.- In no case shall the incentives or stimuli granted to the corresponding project with the resources of the FONPROCINE be considered as an investment.

Article 35.- Tax incentive for the reinvestment in the Cinematographic Industry. For a period of ten (10) years, from the entry into force of this law, the income of producers, exhibitors, and distributors of Dominican full-length films in the national territory or abroad, that is capitalized or reserved to develop new productions or to be invested in the cinematographic sector, shall be exempt up to one hundred percent (100%) of the value of the Income Tax.

Tax incentive for the reinvestment in the industry: exemption of up to 100% of the Income Tax on the income generated by producers, exhibitors, and distributors of Dominican full-length films, when capitalized or reserved for investments in the cinematographic sector.

Article 36.- Incentives for the establishment of new Movie Theaters. The establishment of movie theaters across the national territory is hereby declared to be of particular interest to the State.

Incentives to new Movie Theaters: Income tax exemption, exemption on taxes charged on acts of real estate purchase, and exemption on import duties and other taxes applicable to the equipment, materials and furniture necessary for the initial furnishing and operation.

Article 37.- Tax exemption to the construction of Movie Theaters. For a period of fifteen (15) years, the natural or legal persons who invest capital in building movie theaters in the National District and in the Santiago de los Caballeros municipality, shall be exempt from fifty percent (50%) of the Income Tax applicable on the income generated by such movie theaters.

Paragraph: For the rest of the provinces and municipalities of the country, the exemption provided in this article shall be of one hundred percent (100%).

Article 38.- Exemptions by category. As in the previous article, the former shall benefit from the following exemptions:

1) For a period of five (5) years after the entry into force of this law, national and municipal taxes charged on the issuance of construction permits, including acts of real estate purchase;

2) For a period of five (5) years from the entry into force of this law, import duties and other taxes, such as fees, rights, charges, including the Tax on the Transfer of Industrial Goods and Services (ITBIS), applicable to the equipment, materials and furniture necessary for the initial furnishing and operation of the movie theater.

Transferable Tax Credit equivalent to 25% of all expenditures incurred in the Dominican Republic.

Applicable to Dominican and foreign cinematographic and audiovisual works produced in the Dominican territory.

Requirements pertaining to the expenses incurred in the Dominican Republic.

The transferable tax credit might be requested in respect to partially or completely executed budgets, as long as the expenditures at the moment of the request are equal or exceeding USD\$500,000.00.

Article 39. (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). **Transferable Tax Credit.** The natural or legal persons who produce Dominican or foreign cinematographic and audiovisual works in the Dominican territory, may benefit from a tax credit equivalent to twenty five percent (25%) of all expenditures incurred in the Dominican Republic. Such credit may be used against the annual Income Tax declarations or transferred in favor of another natural or legal person for the same purposes.

Paragraph I.- For the purposes of applying this article, all expenditures directly related to the pre-production, production and post-production of cinematographic and audiovisual works will be considered, including the acquisition and engagement of goods and services, rental of goods of any nature and the contracting of national or foreign technical, artistic and administrative personnel, provided that these are properly supported by invoices, receipts and/or relevant documentation. The work's budget must be previously authorized by the DGCINE.

Paragraph II.- The tax credit may be requested with respects to partially or fully executed budgets, provided that the amount of expenditures incurred at the moment of the request is equal to, or exceeding, five hundred thousand dollars (USD\$500,000). Such credit may be requested upon execution of the aforementioned sum, even in the case in which it exceeds one fiscal period.


In such cases where one or several tax credits have been requested or obtained due to several partial budget executions for one project, a tax credit may granted on the last executed tranche, regardless of not reaching the minimum expenditures set out in this article.

In such cases where expenditures, by the same person or entity, for individual projects do not reach the minimum amount set forth above, the applicant may accumulate multiple cinematographic and audiovisual works until reaching the level of executed expenditures required to obtain the tax credit, provided that such works have been made by that one person or entity during the same fiscal period.

Paragraph III.- In the case of foreign productions, the expenditures corresponding to the contracting of personnel shall considered, provided that the production has a minimum participation of Dominicans or Dominican residents, in accordance with the following proportion:

- a) 10% for the first three (3) years after the entry into force of this law;
- b) 20% for the forth (4th) and fifth (5th) years after the entry into force of this law;
- c) 25% from the sixth (6th) year after the entry into force of this law, and thereafter;

Paragraph IV.- The DGCINE may reduce the required minimum participation of Dominican personnel stated above, in case the Dominican Republic is not able to meet the demand of skilled personnel that is required for the functions to be performed. To this end, the DGCINE shall evaluate the needs of each individual project that is submitted and shall issue a resolution authorizing the reduction of the participation of Dominican personnel in the areas in which the Dominican Republic is not able to meet the demand of personnel as indicated above.



*Expenditures
corresponding to the
contracting of personnel.*

The transferable tax credit shall be requested at the DGCINE.

Paragraph V.- The transferable tax credit shall be requested at the DGCINE. The applicant shall submit for validation the supporting documents on the expenditures incurred, pursuant to the corresponding Regulation. The DGCINE shall proceed to validate the expenditures presented by the applicant within thirty (30) calendar days after its filing. Once the documentation is reviewed, it shall issue a certificate of validation of expenditures, which shall be delivered directly to the General Tax Authority (DGII). Upon receipt of the certification issued by the DGCINE, the DGII shall grant one or several assignable certificates that enshrine the transferable tax credit being granted. The complete process of validation, issuance of the certificate of validation of expenditures, and issuance of the certification of the transferable tax credit shall not exceed sixty (60) calendar days.

The fiscal credit may be transferable wholly or partially, in one or several operations, and in favor of one or several ultimate beneficiaries.

Paragraph VI.- The tax credit enshrined in the previous certification may be transferred (assigned) wholly or partially, in one or several operations, and in favor of one or several beneficiaries. The natural and legal persons, in favor of whom the tax credit is transferred, may not assign or re-transfer it to third parties.

Paragraph VII.- Each transfer operation, wholly or in part, of a tax credit obtained by virtue of this article, must be registered by the beneficiary at the General Tax Authority within a term of ninety (90) days, from the transfer date. Once such registration is completed, the beneficiary of such transfer may use the credit within the same fiscal period of its acquisition, and up to three subsequent periods thereafter.

Incompatibility of the Transferable Fiscal Credit with other fiscal incentives applicable to a particular cinematographic or audiovisual work, except for the exemption established in article 40.

Paragraph VIII.- In such cases where the request of the transferable tax credit is made with respect to a particular cinematographic or audiovisual work, it may not benefit from any other tax or development incentive with respect to that work, except for the exemption established in the Paragraph of Article 40 of this law.

Article 40.- (Modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). **Other exemptions.** For a period of ten (10) years after the promulgation of this law, the income obtained by the natural or legal persons domiciled in the Dominican Republic, that provide technical services to cinematographic productions approved by DGCINE and made in the Dominican territory, shall be exempt from Income Tax.

Income Tax Exemption for technical service providers.

Paragraph.- All the goods, services and/or rentals directly related with the pre-production, production and post-production of cinematographic and audiovisual works approved in accordance with paragraph III of article 33, which are expressly qualified as belonging to the cinematographic industry within the implementation Regulation of this law, shall be exempt from the Tax on Transfer of Industrial Goods and Services (ITBIS).

ITBIS exemption to all the goods, services and/or rentals directly related with the pre-production, production and post-production of cinematographic and audiovisual works.

Article 41.- Incentives to the establishment of filming and recording studios. During a period of fifteen (15) years after the entry into force of this law, the natural or legal persons that establish in the national territory filming or recording studios for cinematographic works, shall benefit from an exemption of one hundred percent (100%) on the Income Tax gained in the exploitation of such filming or recording studios.

100% Income Tax exemption to filming and recording studios.

Paragraph: During a period of ten (10) years after the entry into force of this law, the capital goods required for the purposes of this article may be imported duty free.

Duty free import of capital goods required for establishing filming and recording studios.

Article 42.- Import duties on domestic films. The supporting material and copies of Dominican full-length films that would be imported to the national territory must pay taxes, levies, or import duties, exclusively on the appraised value of such supporting material. The foregoing is without taking into consideration the possibility that these could benefit

Temporary import of goods and equipment necessary for filming.

Those interested in benefiting from the incentives of this Law shall apply for a Filming Permit at DGCINE for each cinematographic or audiovisual work.

from another applicable regime that excludes the payment of such rights.

Article 43.- Temporary import of goods and equipment. With the Filming Permit issued by the General Film Office (DGCINE), the consumable and non-consumable goods and equipment necessary for filming may be temporarily imported to the country up to a period of six (6) months, extendable and in accordance to the requirements in this area, provided that all goods imported this way are exported at the end of the term.

Article 44.- Application for the Filming Permit. (Modified by Law No. 257-10 dated November 18, 2010, G.O. No. 10596, dated November 30, 2010). The natural or legal persons interested in benefiting from the incentives of this Law shall apply for a Filming Permit at the General Film Office (DGCINE) for each cinematographic or audiovisual work.

Paragraph I.- The Filming Permit shall be issued free of charge, for a period of two (2) years, renewable for the same period.

Paragraph II.- The procedure for obtaining the Filming Permit, shall be established in this law's Application Regulations.

Article 45.- Exemptions. The supporting materials and copies of Dominican or foreign full-length films that are exported or returned to the country, will not pay taxes, levies or duties.



CHAPTER VII

Dominican Cinematheque

Article 46.- Roles and autonomy of the Dominican Cinematheque. The Dominican Cinematheque acts as an agency of the General Film Office (DGCINE). It has its own institutional statute, enabling it to properly identify its operational basis.

Article 47.- Resources of the Dominican Cinematheque. In addition to the resources assigned by the Cinematographic Promotion Fund (FONPROCINE), the following are the resources of the Dominican Cinematheque:

- 1) Its own income that could be generated from its activities;
- 2) The contributions of national and international, technical and financial cooperation;
- 3) The inheritances and donations that it receives;
- 4) Those that result from conventions, agreements, and other acts executed with natural or foreign natural or legal persons.

Article 48.- Attributions of the Dominican Cinematheque. The attributions of the Dominican Cinematheque are the following:

- 1) Safeguarding the Nation's cinematographic heritage and dissemination of the national and international cinematographic values;
- 2) Promoting its cinematographic outreach programs in all the national territory, in terms of classical cinema, as well as in terms of contemporary cinema;
- 3) Creating a cinematographic documentation center that would operate in its media library, as part of a bank of ideas related to the international information and world history of cinema;
- 4) Establishing the necessary technical conditions to rescue, preserve and protect films and negatives; search and collection of the visual memory that forms Dominican Republic heritage;
- 5) Setting up events such as film festivals or shows that promote a critical interest in the cinema arts, throughout the national territory;

6) Promote research in the cinematographic area.

Article 49.- Use of national works. The national cinematographic works placed at the Dominican Cinematheque, can be used by the former in coordination with the General Film Office (DGCINE) and their proprietors, in promotion activities with the purpose of fomenting and disseminating the Dominican cinematography in festivals, shows and exhibitions, in the country or abroad.

Article 50.- Obligations of the producers of all National Cinematographic works. It is an obligation of all producers of national cinematographic works that receive stimuli from the FONPROCINE, and without considering other requirements determined by the CIPAC for the allocation of such stimuli, to transfer and deliver to the Dominican Cinematheque an unused copy and original support of such works, which shall be preserved as cultural heritage property of the Nation, and could be reproduced for the purpose of preservation and dissemination.

Paragraph I.- Upon receiving the stimuli, the producer must authorize in an agreement designed for such purpose, that eighteen (18) months after the first public exhibition of the film in movie theaters in the national territory, the State can exhibit and communicate such film to the public during up to one (1) week, through the General Film Office (DGCINE) or any other entity that replaces it. Similarly, the producer must approve the presentation and cultural dissemination of the work in shows and festivals of national or international character in which the country participates.

Paragraph II.- The delivery of the material to which this article refers to, replaces or discharges the producer from complying with any other legal obligation of placing or handling of copies to the State for any other purpose.



CHAPTER VIII

Penalty Regime

Article 51.- Sanctions. The CIPAC through the DGCINE, may impose the following sanctions, according to each case and pursuant to this law:

- 1) Written warnings;
- 2) Temporary or permanent closing of movie theaters;
- 3) Suspension of filming;
- 4) Fines between fifty (50) and one hundred and fifty (150) minimum wages;
- 5) The temporary or permanent ban of members, agents or sectors of the cinematographic industry.

Article 52.- Faults. The following sanctions shall be imposed depending on the severity of the acts committed:

- 1) The following are to be regarded as faults that lead to a written warning:
 - a) Failure to provide information in accordance with article 22;
 - b) Failure to deliver the corresponding unused copy of the film, in its original support, to the Dominican Cinematheque, provided that the producer has received assistance from the FONPROCINE to produce the film, pursuant to article 50.
 - c) Closing of movie theaters without prior notification to the DGCINE, pursuant to article 21.
- 2) Faults that lead to temporary or definitive closing of movie theaters:
 - a) Not having registered a movie theater, pursuant to article 20;
 - b) The relapse into the fault previously established.
- 3) Fault that leads to filming suspension:
 - a) Not having a Filming Permit pursuant to 7, numeral 18;



Faults and penalties.

4) Faults, which when committed, lead to fines between fifty (50) and one hundred and fifty (150) minimum wages:

a) Not having the Filming Permit, in accordance with the provisions of article 7, numeral 18.

b) The relapse into faults set forth in numeral 1), literal a, b, and c;

Article 53. (Numbering modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). **Competent Jurisdiction.**

The claims arising from the application and enforcement of the sanctions established in this law, are entertained in accordance with the procedures under administrative law.

Article 54. (Numbering modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). **Civil or Criminal Liability.**

The administrative sanctions contained in this law, are applied without the exclusion of the civil or criminal liability arising from any actions.



CHAPTER VIII

Final Provisions

Article 55. (Numbering modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). **Regulations.** Within a period of not less than ninety (90) days from the entry into force of this Law, the Executive Power shall issue the corresponding regulations, as well as the operating regulation of the Intersectoral Council for the Promotion of Film Activity (CIPAC).

Article 56. ((Numbering modified by Law No. 257-10 promulgated on November 18, 2010, G.O. No. 10596 of November 30, 2010). **Entry into force.** This law enters into effect from the date of its publication.

GIVEN in the Sessions Room of the Senate, National Congress Palace, in Santo Domingo de Guzmán, National District, Capital of the Dominican Republic, on the twenty-ninth (29) day of the month of June of the year two thousand and ten (2010); year 167 of the Independence and 147 of the Restoration.

Reinaldo Pared Pérez
President

Rubén Darío Cruz Ubiera
Secretary

Amilcar Romero P.
Ad-Hoc Secretary

GIVEN in the Session Room of the Chamber of Representatives, National Congress Palace, in Santo Domingo de Guzmán, National District, Capital of the Dominican Republic, on the twenty-second (22) day of the month of July of the year two thousand and ten (2010); year 167 of the Independence and 147 of the Restoration.

Julio César Valentín Jiminián
President

Gladys Sofía Azcona de la Cruz
Secretary

Teodoro Ursino Reyes
Secretary

Leonel Fernández Reyna
President of the Dominican Republic

In the exercise of the attributions granted by Article 128 of the Constitution of the Republic.

I promulgate this Law and order its publication in the Official Gazette, for its knowledge and compliance.

Given in Santo Domingo de Guzmán, National District, Capital of the Dominican Republic, on the twenty-ninth (29) day of the month of July of the year two thousand and ten (2010); year 167 of the Independence and 147 of the Restoration.

Leonel Fernández Reyna.



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