Film Industry Promotion Law of the PRC

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Chapter I — General Provisions

Article 1 — This Law is enacted for the purposes of promoting the prosperous development of the film industry, satisfying the spiritual and cultural needs of the people, enhancing the cultural soft power of the state, and promoting the development of the socialist culture with Chinese characteristics.

Article 2 — This Law shall apply to film creation, production, distribution, exhibition and other activities within the territory of the People’s Republic of China.

Article 3 — The state shall uphold the principles of putting people first and placing social benefits first, and achieving the unity of social and economic benefits in the development of the film industry.

Article 4 — The state shall encourage the creation of films that promote the core socialist values, carry forward the fine traditional Chinese culture, and reflect the spirit of the times, and shall promote the dissemination of excellent films.

Article 5 — The film administrative department under the State Council shall be responsible for the supervision, administration and development promotion of the film industry throughout the country. The film administrative departments of the local people’s governments at or above the county level shall be responsible for the supervision and administration of the film industry within their respective administrative regions.

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Article 6 — The state shall encourage and support scientific and technological research and innovation in the film industry, promote the application of advanced film technology, and enhance the level of film technology.

Article 7 — Film industry organizations shall, in accordance with the provisions of their constitutions, strengthen self-discipline, regulate the conduct of the industry, safeguard the lawful rights and interests of members, and promote the sound development of the film industry.

Chapter II — Film Creation and Production

Article 8 — The state shall encourage and support the participation of legal persons, other organizations and individuals in film creation and production activities, protecting their lawful rights and interests in accordance with the law.

Article 9 — Enterprises and other organizations that intend to engage in film production activities shall satisfy the following conditions:

(1) having the name, organizational structure and articles of association of a legal person;

(2) having the professionals and production sites suitable for film production activities;

(3) having the funds suitable for film production activities; and

(4) other conditions prescribed by laws or administrative regulations.

Article 10 — Any enterprise or other organization that intends to engage in film production activities shall submit an application to the film administrative department of the people's government of the province, autonomous region or municipality directly under the Central Government. The local film administrative department shall issue the Film Production License within 20 working days from the date of acceptance of the application.

Article 11 — Film shooting shall comply with the laws and regulations of the state and shall not endanger state security or harm the public interest, and shall not involve obscenity, gambling or drug abuse.

Article 12 — A legal person or other organization that intends to shoot a film shall file the film synopsis with the film administrative department under the State Council or the film administrative department of the people's government of the province, autonomous region or municipality directly under the Central Government. The film administrative department shall issue a decision on whether to approve the filing within 20 working days from the date of acceptance.

Where the film administrative department has not issued a decision within the prescribed period, the applicant may carry out the shooting of the film in accordance with the filed synopsis.

Article 13 — Films to be shot involving significant subjects or for which special types of films are required shall be submitted to the film administrative department under the State Council for approval, and shooting may be carried out only after approval has been obtained.

Article 14 — Where a film is co-produced with a foreign entity, the co-production shall be submitted to the film administrative department under the State Council for approval.

Article 15 — A legal person or other organization shall, after completing the shooting of a film, submit the film to the film administrative department under the State Council or the film administrative department of the people's government of the province, autonomous region or municipality directly under the Central Government for examination.

Article 16 — The film administrative department shall, within 30 days from the date of acceptance, make a decision on examination. The examination shall be conducted by experts organized by the film administrative department. Where the film passes the examination, the film administrative department shall issue the Film Public Release Permit.

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Where the film administrative department fails to make a decision on examination within the prescribed period, the applicant may request an expedited examination.

Article 17 — Films that have obtained the Film Public Release Permit may be released in accordance with the law. No entity or individual may alter the content of a film that has passed the examination. Where alteration is required, the film shall be submitted for examination anew in accordance with the provisions of this Law.

Article 18 — Films shall not contain any of the following content:

(1) content that violates the basic principles established by the Constitution;

(2) content that endangers the unity, sovereignty or territorial integrity of the state;

(3) content that divulges state secrets, endangers state security, or damages the honor or interests of the state;

(4) content that incites ethnic hatred or ethnic discrimination, undermines ethnic unity, or infringes upon ethnic customs and habits;

(5) content that propagates cults or superstitions;

(6) content that disrupts social order or undermines social stability;

(7) content that propagates obscenity, gambling or violence, or instigates crime;

(8) content that insults or slanders others or infringes upon the lawful rights and interests of others;

(9) content that endangers social morality or undermines the fine cultural traditions of the nation; or

(10) other content prohibited by laws or administrative regulations.

Chapter III — Film Distribution and Exhibition

Article 19 — Enterprises that intend to engage in film distribution activities shall satisfy the relevant conditions prescribed by the state and shall obtain the Film Distribution Business License in accordance with the law.

Article 20 — Enterprises and other organizations that intend to establish film exhibition entities such as cinemas shall satisfy the relevant conditions prescribed by the state and shall obtain the Film Exhibition Business License in accordance with the law.

Article 21 — Film distribution enterprises and cinemas shall distribute and exhibit films that have obtained the Film Public Release Permit in accordance with the law, and shall not distribute or exhibit films that have not obtained the Film Public Release Permit.

Article 22 — Cinemas shall install computer ticketing systems in accordance with the relevant state provisions and shall truthfully and accurately report the box office revenue data.

Article 23 — No entity or individual may engage in the following conduct:

(1) stealing or concealing box office revenue;

(2) forging, altering, leasing, lending or selling the Film Public Release Permit, Film Distribution Business License or Film Exhibition Business License;

(3) distributing or exhibiting films that have had their Film Public Release Permit revoked; or

(4) other conduct prohibited by laws or administrative regulations.

Article 24 — Cinemas shall provide reasonable screening hours and screening venues for domestic films. The annual screening time for domestic films shall be no less than two-thirds of the total annual screening

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time.

Chapter IV — Support and Safeguard Measures

Article 25 — The state shall implement the necessary fiscal and tax preferential policies to promote the development of the film industry.

Article 26 — The state shall guide and support the development of the film industry through such means as the film development special fund, the film industry development special fund and other funds.

Article 27 — The state shall encourage financial institutions to provide financing support for the film industry, and encourage insurance institutions to develop insurance products adapted to the needs of the film industry.

Article 28 — The state shall support the construction of cinemas, and shall provide appropriate support for the construction of cinemas in underdeveloped areas, remote areas and ethnic minority areas.

Article 29 — The state shall encourage and support the cultivation of film talents, and promote the development of film education and scientific research.

Article 30 — The state shall encourage and support international exchanges and cooperation in the film industry, promote the screening and distribution of domestic films overseas, and facilitate the introduction of outstanding foreign films.

Chapter V — Legal Liability

Article 31 — Where any entity or individual, in violation of the provisions of this Law, shoots, distributes or exhibits a film without authorization or without obtaining the corresponding license, the film administrative department of the people's government at or above the county level shall ban such activities, confiscate the illegal gains and the illegally shot, distributed or exhibited films and the equipment and tools specially used for the illegal activities. Where the illegal gains exceed RMB 50,000, a fine of not less than five times but not more than ten times the illegal gains shall be imposed. Where there are no illegal gains or the illegal gains are less than RMB 50,000, a fine of not less than RMB 250,000 but not more than RMB 500,000 may be imposed. Where the circumstances are serious, the relevant license shall be revoked.

Article 32 — Where any entity or individual commits any of the following acts, the film administrative department of the people's government at or above the county level shall order corrections, confiscate the illegal gains from the illegal activities, and impose a fine of not less than RMB 50,000 but not more than RMB 500,000. Where the circumstances are serious, the relevant license shall be revoked:

(1) forging, altering, leasing, lending or selling the license or approval documents specified in this Law;

(2) distributing or exhibiting a film without the Film Public Release Permit;

(3) modifying a film that has passed the examination without re-submission for examination;

(4) distributing or exhibiting a film that has had its Film Public Release Permit revoked; or

(5) stealing or concealing box office revenue in serious circumstances.

Article 33 — Where any entity or individual shoots a film containing content prohibited by Article 18 of this Law, the film administrative department shall order cessation of the illegal act and may impose a fine of not less than RMB 50,000 but not more than RMB 200,000 on the legal person or other organization engaged in the illegal activities. Where the circumstances are serious, the relevant license shall be revoked.

Article 34 — Where any entity or individual, in violation of the provisions of this Law, engages in film distribution or exhibition activities without authorization, the film administrative department shall ban such activities and impose a fine of not less than RMB 50,000 but not more than RMB 500,000. Where the

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circumstances are serious, the relevant license shall be revoked.

Article 35 — Where any staff member of the film administrative department abuses his or her power, neglects his or her duties, or engages in malpractice for personal gain, he or she shall be subject to administrative sanctions in accordance with the law. Where a crime is constituted, criminal liability shall be pursued in accordance with the law.

Chapter VI — Supplementary Provisions

Article 36 — This Law shall enter into force as of March 1, 2017. The Regulations on the Administration of Films promulgated by the State Council on December 25, 2001, shall be repealed simultaneously.

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