

MEASURES TO SUPPORT THE GLOBAL NEWSPAPER INDUSTRY

IRELAND

9% VAT

ON PRINTED NEWSPAPERS

DIRECT SUBSIDIES

None

INDIRECT SUBSIDIES

- 9% VAT rate (printed newspapers - a temporary reduction introduced in 2011).
- Standard rate of 23% (digital publications).
- VAT rate subject to annual review at Budget time (October 2017).

LUXEMBOURG

3% VAT

Printed & Digital Newspapers

DIRECT SUBSIDIES

€7.4m SUBSIDIES

€7.4m Available for daily and weekly newspapers, based on eligibility criteria:

- Must be a paid newspaper
- Must employ at least 5 journalists
- Must contain general information
- Be published in one of the three languages used in the country

Two elements to subsidy: a basic subsidy for all newspapers; and part based on published pages.

New aid for electronic publication to be paid in 2017. €450,000

- Max per publication of €100,000
- Must employ at least 2 journalists
- Publish original content of quality
- Publisher must invest at least €200,000 every year

INDIRECT SUBSIDIES

- 3% VAT rate (print and digital newspapers (contrary to EU Directive in the case of digital. Standard Rate is 17%).
- Aid for distribution.

NORWAY

0% VAT

Printed & Digital Newspapers

DIRECT SUBSIDIES

€33m SUBSIDIES

Production grants for newspapers with circ. of less than 6,000;

- Additional aid for secondary newspapers, based on circulation.

INDIRECT SUBSIDIES

0% VAT (printed & digital publications) (Standard Rate is 25%).



SPAIN

4% VAT

ON PRINTED NEWSPAPERS

DIRECT SUBSIDIES

None

INDIRECT SUBSIDIES

- 4% VAT rate (printed publications).
- Standard VAT rate of 23% (digital publications).



ITALY

4% VAT

ON PRINTED NEWSPAPERS

DIRECT SUBSIDIES

€42m SUBSIDIES

Direct subsidies since 1981 but a selective measure established in the 1990s;

- Eligibility criteria based on circulation, distribution and production costs in the previous year
- Newspapers must represent a political party
- Must be issued by a cooperatives of journalists
- Must represent language minority or Italian communities abroad
- A minimum percentage relationship between copy circulation and printing (since 2012)
- A minimum number of employees hired, majority being journalists on permanent contracts (since 2012)
- More recently - aid to cover investment in digital publications (to cover 70% of investment costs plus 10% for digital copies sold by subscription);



PORTUGAL

6% VAT

ON PRINTED NEWSPAPERS

DIRECT SUBSIDIES

€1.5m SUBSIDIES

- Total Direct and Indirect State Aid for local and regional newspapers (and local radio stations)
- Constitution states that State has obligation to support the press.
- 120-150 local and regional newspapers benefit from this Aid (nationals are exempt).
- Based on numbers of journalists employed and circulation.

INDIRECT SUBSIDIES

- 6% VAT rate (printed newspapers).
- Standard VAT rate of 23% (digital editions).
- 40% of the costs of postal distribution of local and regional newspapers paid by government.

**AUSTRIA****10%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES****€8.5m**
SUBSIDIES

Press subsidies of €8.5m in 2017.

1. Measures to promote quality in Press Subsidies Act 2004.
2. Subsidies towards cost of training new journalists.
3. Subsidies for employing foreign correspondents.
4. Subsidies for promoting the reading of daily/weekly newspapers.
5. Research and Development.

Current reforms under consideration:

- Direct subsidies are under review - expected to at least double
- More based on numbers of employed journalists
- More based on types of content and digital innovation

INDIRECT SUBSIDIES

Reduced VAT rate of 10% (printed newspapers).

**CZECH REPUBLIC****10%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES**

None.

INDIRECT SUBSIDIES10% VAT rate (newspapers since March 2017).
(Standard VAT rate is 21%).**FINLAND****10%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES****€20m**
SUBSIDIES

€500,000 (2016) - €20m (2015-'2018)

1. Subsidies for national and minority language newspapers, online publications & supplements.
2. Specific fund for media innovation established by Ministry of Transport and Communications.

INDIRECT SUBSIDIES

- 10% VAT rate (newspaper subscriptions - up from 9% in 2012.)
- Standard VAT rate of 24% (single copy & digital editions).

**GERMANY****7%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES**

None.

INDIRECT SUBSIDIES7% VAT rate (single copies & subscription sales).
Standard VAT rate of 19% (digital publications & advertising).
Reduced postal rates for newspapers.**BELGIUM****0%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES**

Based on number of journalists employed, circulation, and advertising revenues.

Eligibility determined by audit conducted by civil servants and third parties.

Subsidies exist for:

- Operational costs
- Development and media innovation
- Internal training of journalists
- For new entrants

INDIRECT SUBSIDIES

- Daily newspapers are exempt from VAT
- 0% rate (single copy sales, subscription sales & newsprint)
- Standard rate of 21% (advertising)
- Standard rate of 21% (digital publications)
- Reduced postal service rates
- Special conditions for journalists using the rail network

**DENMARK****0%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES****€60m**
SUBSIDIES

1. Subsidy for print and digital publications if employ at least three journalists (i.e. on basis of editorial work).
2. Small amount of development oriented aid directed towards specific projects.

INDIRECT SUBSIDIES

- 0% VAT rate (printed newspapers).
- Standard VAT rate of 21% (digital publications).

**FRANCE****2.1%VAT**
Printed & Digital Newspapers**DIRECT SUBSIDIES****€262m**
SUBSIDIES

1. Total press subsidies in 2016. **€262m.**
 - Aid for distribution - home-delivery support; €52.96
 - Aid for pluralism for newspapers with lower percentage of advertising; €16.03
 - Aid for modernisation and innovations; €58.85
2. Support for local media. €1.58m
3. Aid to National Press Agency as contribution towards its services to Government and its public interest mission. €132.4m

INDIRECT SUBSIDIES

- 2.1% VAT rate (single copy and subscriptions).
- (2.1% has applied to digital newspapers since 2014, contrary to EU VAT Directive 2006/112).
- Standard VAT rate of 20% (advertising).
- Reduced postal rates via a fund to La Poste, which allows a discounted rate to be applied to newspapers.

**NETHERLANDS****6%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES****€42m** SUBSIDIES

None

INDIRECT SUBSIDIES

- 6% VAT rate (newspapers)
- Standard VAT rate of 21% (digital publications)
- State Fund for innovation in journalism for all media organisations

**SWEDEN****6%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES****€65m** SUBSIDIES

Current press subsidies are equivalent of €54m. In January 2018, the Government proposed to increase operational aid by 10% and aid for distribution by 50%. This will represent a total increase of 20% over two years, 2018 and 2019 bringing total aid to €65m. The Swedish government is currently awaiting approval from the European Commission for these proposed increases

INDIRECT SUBSIDIES

- 6% VAT rate (printed newspapers).
- Standard VAT rate of 25% (digital publications).

**SWITZERLAND****2.5%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES**

None

INDIRECT SUBSIDIES

- 2.5% VAT rate (printed newspapers).
- Standard VAT rate of 8% (digital publications) but expected to fall to 2.5% from 1 January 2018.
- A distribution fee of around €46m subject to certain conditions, administered by Swiss Post.
- 142 local and regional press titles and 1,046 national newspapers and magazines will benefit in 2017.

**UK****0%VAT**
ON PRINTED NEWSPAPERS**DIRECT SUBSIDIES****€65m** SUBSIDIES

None.

Prime Minister Theresa May announced a review into the future of the UK newspaper industry in February 2018. A key role of the review will be to consider sustainable funding models for the printed press.**INDIRECT SUBSIDIES**

- Zero-VAT rate (printed newspapers).
- Standard VAT rate (digital publications & advertising).
- A £1,500 business-rates discount for office space occupied by local newspapers (April 2017 for 2 years). Administered by local authority which is reimbursed by government.
- BBC entered into an agreement with the News Media Association (NMA) to spend €8m per year from its licence fee funding 150 local reporters employed by local news organisations (from May 2017).
- Establishment of a BBC news video data bank that local news organisations can use.
- A shared data-journalism hub to provide training and develop data journalism tools.
- Audit of BBC's use of local press material in order to improve links.
- Provinces - some pay the standard tax rate;
- Tax reductions under discussion.

Source:**Public Affairs Media Policy:
Supporting the Media,
WAN-IFRA, June 2017.**