

A photograph of a modern art gallery interior. The space features a large, curved staircase on the left, a dark grey tiled floor, and white walls. Several abstract paintings are displayed on the walls. A large, white, curved graphic element is overlaid on the left side of the image, framing the title text.

Museums & Galleries Exhibition Tax Relief





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Are you claiming all your tax reliefs?

Museums and Galleries Exhibition Tax Relief allows qualifying museums & galleries to obtain tax relief on the production and maintenance costs of temporary, touring or permanent exhibitions

The Museums and Galleries Exhibition Tax Relief is mainly aimed at companies with charitable or educational objectives.

Although many companies with these objectives are usually exempt from corporation tax, they may still be able to take advantage of this relief. A qualifying company may be entitled to an enhanced deduction against their profits of up to 80% of the costs of the exhibition or, in cases where this deduction creates or increases a loss, some or all of the loss may be surrendered for a cash repayment of 20% (25% for touring exhibitions) - this may ultimately be the difference between an exhibition being commercially viable and not being staged.

What is a qualifying company?

- A company subject to UK corporation tax
- A charitable company or a wholly owned subsidiary of a charity
- A wholly owned subsidiary of a local authority
- A company maintaining a museum, gallery, library, archive or outdoor exhibition
- A company which is actively involved in the decision-making relating to an exhibition
- A company which is responsible for the production of an exhibition

What qualifies for tax relief?

It could be an exhibition of a single object or a collection of objects or works considered to be of scientific, historic, artistic or cultural interest. Certain core expenditure such as curator fees, installation and closure costs can be included in a claim. Costs relating to ordinary activities such as marketing or speculative development will not qualify.

What is a touring exhibition?

There's a higher rate of payable credit for loss making touring exhibitions, as long as the touring exhibition meets the following requirements:

1

The exhibition must be held at more than one venue.

2

At least 25% of the objects or works displayed at the first venue must be displayed at every subsequent venue.

3

No more than 6 months should elapse between deinstallation at one venue and installation at the next venue.

4

There must be a primary production company for the exhibition, which is within the charge to corporation tax.

5

The primary production company must intend from the planning stage that the exhibition will be touring.



Exhibitions that are excluded are those:

- organised in connection with a competition
- where the main purpose, or one of the main purposes, is to sell anything to promote goods or services
- which include a live performance by any person, except where this is incidental or an incidental part
- where anything displayed is for sale
- where anything displayed is living e.g. plants or animals

Relief is available to Primary and Secondary Production Companies, but under what circumstances?

The relief is available to both primary and secondary production companies on their core expenditure within the EEA, including costs incurred on producing, deinstalling and closing the exhibition. Primary production companies are those responsible for the exhibition at a single venue, or at least the first venue of a touring exhibition, and must make an effective creative, technical and artistic contribution to the exhibition.

A secondary production company, or in fact a number of secondary production companies, are those responsible for the exhibition in question at subsequent touring venues.

When did the relief come into effect

The relief is available on expenditure incurred after 1st April 2017 and must be claimed within two years of the company's corporation tax filing date.

Why choose MHA Monahans to guide you through claiming for this tax relief?

Our tax experts draw upon not only their own extensive experience, but also that of their colleagues, such as the firm's Not for Profit Specialists. In addition, our membership of MHA, a group of 7 large independent accountants and business advisers covering the UK, provides nationwide access to further experts. Thanks to this enviable network at our fingertips, we offer a more holistic approach in comparison to the many "boutique" firms, who don't necessarily view the wider picture in respect of the interaction of the creative reliefs with the company's normal commercial operations.

Your dedicated service team

MHA Monahans is a multi-award winning firm. Our expertise enables us to guide our clients through their everyday needs, or tackle any complex issue they may face.



Dominic Bourquin
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I am head of the Tax Consultancy and Corporate Finance team at MHA Monahans. My job is to steer clients through our increasingly complex and sometimes hostile tax environment and construct the best solutions for their business and personal tax issues.

I find it really rewarding to help clients get the most out of the businesses they've worked hard to build. I get to understand their affairs in depth, and work with them to do what is best for them, their families and their companies. That may be by valuing their companies, helping them buy or sell, accessing funding, providing transaction support or preparing and reviewing business plans and forecasts. My clients operate in many different sectors. What they have in common is ambition for themselves and their businesses, and the recognition that with our support their goals are within their grasp.

My background

I trained with one of the Big Four before moving into industry at one of the world's largest media and advertising companies and then moving back into practice at BDO. I joined MHA Monahans in 2009.



Stephanie Hurst
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I am a Corporate Tax Manager at MHA Monahans.

I focus on providing specialist advice to our clients to help them to minimise their tax exposure and take advantage of valuable reliefs.

As a member of the Chartered Institute of Taxation and have been able to build up a wealth of experience in both private client and corporate taxes over the last 13 years in practice.

I have extensive knowledge in a range of areas of taxation, which enables me to provide a broader outlook on the impacts of any tax planning. I am particularly interested in industry specific tax reliefs such as Research & Development and Museums & Galleries tax relief. These incentives can be hugely beneficial to our clients, particularly in the early stages of their business.

My background

I joined MHA Monahans in 2014, after beginning my career at another leading firm, as well as working a local independent practice.





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