

Readers' Forum On

ENTERTAINMENT TAX

Halve The Tax

CINEMA attendance has increased tremendously in recent years. The motion picture is a medium of information, instruction and entertainment and the Government approved newsreels and documentaries are a boon to rural communities.

Therefore, the maximum number of people should benefit from the film and one of the steps to achieve this goal is to abolish the Entertainment Tax which makes theatre admission expensive to the majority.

If, however, the tax must continue, it should be halved.

—S. V. Iyer,
Nagpur

Reduce The Tax

A TAX on entertainment is necessary, for it is a great source of national income. But the Entertainment Tax on films is exorbitant. Motion pictures are no more a luxury item, but a necessity of life.

It is the exhibitor who suffers the most on account of the high rate of the tax. His admission price depends upon his theatre and the quality of the films he exhibits. Apart from paying a tax of nearly Rs. 300 on every Rs. 1,000 he collects, the exhibitor has to maintain a staff and pay for publicity and the upkeep of the theatre. When he also parts with a substantial percentage to the distributor, there is precious little left.

The Entertainment Tax should therefore be reduced by 12-1/2 per cent for the Lower Stalls and by 20 per cent for the Upper Stalls.

—S. Narayan,
Trivandrum

Entertainment Tax— Hindrane To Progress

AN exorbitant Entertainment Tax and a multiple system of levy are the greatest hindrances to the progress of the film industry.

The Entertainment Tax on films ranges up to 35 per cent of the gross box-office takings. This rate is higher than that on any other form of entertainment, including racing.

In its report, the Film Enquiry Committee remarked that the Entertainment Tax has long passed the point of diminishing returns and that the industry was unable to bear it.

The multiple taxation includes import duty on raw stock and machinery; income-tax paid by the artistes, producers, distributors, exhibitors, technical staff and others; licence fees; duties on electricity; and entertainment, show and theatre taxes. All these combine to sap the very life of the industry, which has not quite recovered from the post-war depression.

The Entertainment Tax has also created odd situations. The tax goes to the Government but the exhibitor has to collect it. The levy is made on box-office takings regardless of whether the producer recovers his investment on the picture or suffers a loss.

In the whole business Government is the one that benefits.

—Aquil Ahmed,
Allahabad

Quality Of Films To Blame

IN the August 19 issue of "Filmfare," Mr. S. S. Vasani stated: "It (a film) pays entertainment tax before its cost of production is realised, and also regardless of whether its cost is recovered or not." I would like to tell Mr. Vasani that the Entertainment Tax is paid by cinegoers and not by the producers or exhibitors.

The cost of production of a film is realised only when large numbers of people see it. It is not the Entertainment Tax that prevents people from seeing films but their poor quality.

India's economic position needs the revenue from this source and cinegoers pay the tax willingly.

—M. S. Ahuja,
Bombay

Abolish The Tax

THE motion picture provides much-needed recreation to the public. Since the

majority of cinegoers are from the middle and poorer classes, the cheaper the admission prices, the better will be the attendance at cinema theatres. The only way to encourage more people to see films is to abolish the Entertainment Tax.

The fall in cinema attendance at present is apparently due to the high rate of the tax. The Government should come forward and improve the situation in the industry.

—K. Subramaniam,
Poona

Cut Admission Prices Also

FILMS are produced in the hope of earning legitimate returns. These earnings depend on box-office receipts.

It is not the Entertainment Tax which determines the margin of profit but the cost of production. Fabulous sums are paid to stars and there are other expensive items. The high cost of film production also makes theatre admission expensive.

The Entertainment Tax is graded—less on the lower class seats and more on the upper classes. Since the tax is levied on picturegoers, they alone can urge Government to reduce it. But the film industry also must make a suitable gesture by reducing theatre admission prices which at present are too high.

—Gayathri Saxena,
Orissa

All The World's A Stage

IT was a British playwright who made the observation that all the world's a stage. It is the motion picture industry, represented by your local cinema, which enables you to see the best performances of the actors and actresses on the world stage. Primarily, it is a place of entertainment but, while entertaining you, it gives you information about all sorts of people and countries.

Your local cinema enables you to hear opera, watch ballet, laugh at slapstick performances, learn something of the problems which arise in this and other parts of the world, appreciate drama and fine acting, forget your worries and escape, even if only for a short while, from your perplexities.

The appeal of the motion picture is greater than that of books, magazines and newspapers for it reaches people who cannot read or who have not the inclination or leisure to do so. It cuts

across all levels and speaks the emotional language of all people. Never has there been such a medium for propagating goodwill and understanding and laying the foundations of peace.

You would have thought, therefore, that the authorities concerned with the education of the people and the establishment of world peace would do all in their power to encourage the industry and enable as many people as possible to visit your local cinema.

Alas! The contrary is true. Every possible obstacle is placed in the way of the industry in the form of Customs duties on raw film and studio and theatre equipment, and unreasonable censorship. And, by imposing a heavy Entertainment Tax, Authority prevents lakhs of people daily from visiting the one place in the community where, without the expenditure of any public funds, they may go both for entertainment and information.

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