

Competition winners

Congratulations to young composer Nathan Sherman, who won the IMRO/Mostly Modern Young Irish Composers' Competition with his piece for percussion Moment. Congratulations also go to Japanese composer Yoshikazu Kumagai, who won the AIC/Mostly Modern International Competition with his piece AUN. Both competitions are administrated by AIC, and they attracted good numbers this year. Richard O'Donnell and the RIAM Percussion Ensemble performed the works in their Mostly Modern concert last January.



Competition winner Nathan Sherman>

Lobbying activities

As readers may be aware there is a lot of media discussion about changes to the Artists' tax exemption. Under review at the moment in the Department of Finance is whether or not to introduce a cap on the exemption. That is to say that high earners may in the next budget find themselves subject to tax, while lower earning artists will still be in a position to avail of the exemption as before. It is not known where this threshold might fall, of course. What makes it look fairly likely that such a cap will be introduced is the fact that the review is part of a larger examination of all the tax exemption schemes. Individual composers would find it hard to defend retaining the current limitless exemption on creative earnings which generally benefits composers such as Bono and the Corrs, and a cap may be seen as

not affecting AIC members (so far as I know!). However, a cap, once introduced, may remain at the same level for 20 years or more, when its meaning in terms of real earnings might start to affect more modest artists. For that reason AIC, in consultation with the Sculptors' Society and the Playwright and Screenwriters Guild has been defending the status quo. Our official submission as lodged with the Dept. of Finance at the end of March follows. At the time of preparation of this submission it was not as clear as it is today that the scrapping of the scheme altogether is extremely unlikely.

Opportunities

Grenzenlos - World Music Days 2006

Composers who receive this newsletter also will receive the full brochure for the call for scores with all the conditions. The text of this is also available on line at www.iscm.nl

Concerning this call for scores please note that there are two deadlines to consider:

1. if you wish to be considered for entry to the National Submission, please send scores and all other materials (read conditions carefully!) to AIC by May 23rd
2. if you wish to make an individual submission send directly to the organisers by June 10th. In that case there is a €50 fee.

In order to be considered for national submission you should be a fully paid up AIC member.

If you are sending for consideration for national submission, but you don't get selected for that, we can send it on for you as an individual submission provided you include 50, which goes with all individual submissions.

ISCM-VICC Composer in residence program

AIC members can, through their connection to the ISCM, apply for a residency at the Visby International Composers Centre on Gotland, in Sweden.

The VICC, as an Associate Member of the ISCM, offers 6 special residencies in their centre, including free use of the studios and facilities and free housing in Visby; thus the applicants only have to take care of their international travel and food. Applications should be made by members of ISCM (i.e. AIC), and sent to the ISCM secretariat.

Please email AIC for downloadable forms. Also you can check out this centre on its web site www.centreforcomposers.org, and the forms are available there if you click on ISCM.



aic news
association of irish composers

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World Music Days 2005 in Zagreb

In April Ireland was represented by three composers at the 2005 edition of the ISCM World Music Days festival. On Friday April 22nd the Zagreb Philharmonic Orchestra performed Frank Corcoran's Quasi un canto and John Buckley's Bassoon Concerto with soloist arko Peri_i. Earlier in the festival, on Friday the 15th, John McLachlan's Nuance was performed by Austrian pianist Susanna Artzt.



Bassoonist arko Peri_i

This year the festival combined itself with the Zagreb Biennale, a major new music festival that has run since 1961.

As AIC is the Irish Section of the ISCM we strive every year to ensure Irish scores are performed at the festival. We were rather unlucky in the last edition, Switzerland 2004, that no Irish pieces were performed. It is important therefore that AIC members make an effort to consider themselves for the next festival, which will take place in Stuttgart in July 2005. The details are on the website www.iscm.nl and in a leaflet included with this newsletter for members.

Aosdána composers

Congratulations to composers and members Rhona Clarke, Donnacha Dennehy and Ben Dwyer who were selected for Aosdána membership this month. This brings the total number of composers in Aosdána to 22, while overall membership is 210.

Events last December

Here are some pictures from our events last December, when AIC ran a percussion workshop and a piano recital.



Raymond Deane and Simon Mawhinney in the Bank of Ireland Arts Centre December 9th.



Peter Moran (R) at the percussion workshop, December 5th.

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Submission on Artists' Tax Exemption

From the Association of Irish Composers

Introduction

The Artists' Tax Exemption Scheme was introduced in 1969. The government's stated intention at the time was that the scheme would act as *"a further encouragement to the creative artists in our midst and would help create a sympathetic environment in which the arts can flourish"*.

By enacting this legislation the then government recognised the difficult economic conditions that were specific to artistic production. But by singling out artists for this exemption they also recognised the unusual case of artistic production as a non-economic indicator of a nation's overall state of health. The political layer of society was noticing for the first time that the cultural and economic conditions that prevailed actually suppressed or chased away its major cultural contributors, and that the economic conditions for artists were a factor in that process (one has only to consider Joyce and Beckett, but these were by no means our only exiles). In attempting to do something about this they were expressing at last a concern for the cultural inheritance of future generations of Irish people.

Before removing or changing the artists' tax exemption the government must assess if the scheme was a success, if it continues to be a success, and whether or not conditions have changed so that its work can be considered to have been completed.

We can seek to do this either with proper research into current conditions for creative artists, or with anecdotal evidence. The most recent research, which unfortunately is five years old, shows that general economic conditions for artists have not improved sufficiently to change the case for the scheme. In 2000, the Arts Councils of Ireland and Northern Ireland produced The Creative Imperative, a report which included research on artists' incomes. It found that *"artists' income is low and unpredictable. Based on figures for the Republic, the average gross income is around IR£12,000, with art expenses on average IR£5,000."*

This is a clear statement itself, but obviously in a rapidly changing economy we need a fresh look at artists' incomes. (The lack of up-to-date research in this area actually shows that focus on individual artists, and support for their representative bodies, remains very weak in terms of funding and recognition. It would be a sad irony if this scheme were to be abandoned purely because of this).

Artists' Incomes

As the report from 2000 indicates, artists are still low earners, as they were at the introduction of the exemption. An important factor that must be considered, but is generally missed by statistical analysis, is that artists

typically earn very unevenly over the years. In other words, they usually have many lean years with the occasional 'bumper' year. The system of annual tax returns inherently disfavours and discourages economic activity with larger cycles. It is also largely blind to their existence. But to an individual, who has struggled for years to make ends meet, has one 'hit' and then returns to the previous pattern, the scheme can be a hugely important lifeline. This was a factor deciding the introduction of the scheme and we can be sure it has not changed.

Other statistics exist, provided by Revenue, and appended here. These show that the vast majority of artists availing of the tax exemption scheme are still earning, from their creative work, incomes that are below the average industrial wage (see below). Again it must be borne in mind that any one of the individuals doing well in that year may be experiencing a rare 'moment in the sun'. Success on this table must be seen in the light of a probable absence of pension, of benchmarked earnings, of any incremental entitlement or fiscal recognition of increased experience/ability. The artist's income not only should be seen in this light, but also it should be remembered that artists frequently pay income tax, as they tend to have part-time or even full-time jobs in related cultural areas such as teaching or non-creative artistic endeavours (e.g. organising artistic events etc). Even the very rare few high earners who earn consistently over many years are generating revenue in all their ancillary activities. Areas such as film and rock music (where high earnings are, by the way, still extremely rare overall) have a massive surrounding infrastructure and generate many jobs and commodities, all of which are taxed.

Another important effect of the tax exemption scheme is that it encourages Irish artists not to set up off-shore residencies in more tax-favourable places, and it brings many foreign creative artists into the country. We should be careful, therefore, not to assume that all of the income that appears as untaxed (€38,000,000 for the last available year, 2001) in the statistics would all have existed in this country *if the scheme were not also in this country*.

Infrastructure and trickle-down

It is difficult to pin down facts on the question of what might happen if the exemption scheme is removed or capped, but these questions should be explored nonetheless.

Again regarding high earners, many of these contribute not only to the present culture and future patrimony of the nation, but also enliven or create an environment that sustains many taxable jobs. One must think of studios,

music and theatre venues, and the production facilities in all arts. In some cases the presence of a high earner is similar to the 'anchor tenant' in a shopping centre: chase this away and you may remove the lynchpin. In both film and rock music it is well known how certain individuals have striven far beyond the call of duty to raise production conditions in the country. This has impacted on the local economy and also acted as an encouragement and incentive for the younger generations to follow. It is important to reflect that even a cap on the scheme may have a strong effect in this regard, and that the number who consistently reside in this bracket is itself smaller than the number for any one year.

Artists are different

The patterns of earnings that have been discussed exist because artists do not work to fiscal values. This needs to be stated clearly, and understood, without apology. In other words the artist strives to produce a unique artefact, not a commodity. The primary creative act is not, nor should it be, motivated by profit. This is because the creative act, in its pure form, is an act of communication without any conditions (particularly on the receiver), and not a service. It is not readily comparable even to other communicative professions such as teaching, preaching or politics, although it shares some ground with all of these. It is more solitary and less tangible than those activities. As producers who seldom tailor their product to a consumer, they are a very special case. The value of their product may take an immense amount of time to become apparent to a large number of people, and by then the profitability may have passed out of the artist's hands. Most artists produce continuously without any guarantee of payment. If we believe their unpaid work to be valuable though not yet valued, then we can say the contribution from artists to the cultural worth of the nation is larger than the total contributions from the Arts Council, the Dept of Arts, Aosdána and the tax

Appendix: statistics on artists' relief (supplied by Revenue)

A breakdown of the number of claimants by reference to ranges of the income which was tax exempted is set out in the table below. A married couple who has elected or has been deemed to have elected for joint assessment is counted as one tax unit. Numbers of persons claiming the artists exemption and the income subject to the exemption in the short tax year 2001:

Range of Income - €	Number of Claimants	Income Subject to Exemption - €
5,000 or less	446	916,555
5,001-10,000	248	1,796,686
10,001-50,000	456	9,867,796 *
50,001-100,000	75	5,411,767
100,001-200,000	39	5,298,712
200,001-500,000	31	10,092,434
500,001-10,000,000	28	46,631,246
Total	1,323	80,015,197

AIC notes that:

1150 are below €50,000

173 are above

1323 = total no of claimants therefore 13% are above €50,000 and 87% are below

* this figure divided by 456 shows the average amount in this range to be c€21,000

exemption scheme.

The commodities that can result from art must be understood to be separate: i.e. books, DVDs and CDs (etc) are a proper secondary exploitation, and most of the finances generated therefrom remain taxable. Unfortunately, the separation of the 'pure creative act' and 'the commodity' is not always entirely clear or possible.

Has the scheme been effective and have conditions changed to warrant its removal?

The scheme has meant that artists have tended to remain in the country more than was the case in the years before its introduction, so it has succeeded in that area. It has meant that the artist who experiences a rare 'hit' can use all of that money to pay the debts from the lean years or to subsidise continuance as an artist. It is actually one of the few initiatives brought in to assist artists that has worked exactly as planned, because of its simplicity. It has probably succeeded better than expected since it is the lowest costing tax exemption scheme, and unlike some of the others has had negligible negative social side effects in terms of distribution of wealth. It was perhaps the only tax exemption scheme not introduced for the sake of its effect on society as a whole, but primarily for the sake of the individuals affected. Yet the effects on society have been positive: i.e. there is more artistic activity in the country than would otherwise be the case.

However, general conditions regarding existing as an artist have not improved sufficient to warrant its removal. As long as artists continue to concentrate primarily on the artistic quality (rather than the financial potential) of their work, their income will remain uneven, and in the main, poor. If they concentrate exclusively on the financial potential of their work they will cease to be artists, and may also remain poor!