

# **Rental Subsidy Scheme for the Hong Kong City Hall**

(with effect from 8/7/2010)

## **(A) Criteria for Subsidy**

1. Application for subsidies is open to organizations only and not to individual persons.
2. The applicants should be registered under the Societies Ordinance or incorporated under the Companies Ordinance or formed by statute or registered on the list of approved charitable institutions or trusts of a public character.
3. Its Constitution or Memorandum and Articles of Association or Ordinance or Trust Deed should specifically provide that members do not take any share of the profits nor any share of the assets upon dissolution.
4. An applicant who co-presents or co-organises the function with an organisation which does not meet the criteria in (2) and (3) above is not eligible for subsidy.
5. The function should be OPEN to the public except for rehearsals.
6. (a) In the case of performance venues, the function should be in furtherance of the performing arts. The performing arts include dance, music, drama, cinematography or theatrical performance of any kind.  
  
(b) In the case of lecture and exhibition venues, subsidy may be granted for cultural, scientific, literary or visual arts functions. The visual arts include painting, calligraphy, photography, sculpture, print, ceramics, floral and cinematography display.
7. The Department reserves all right to interpret the subsidy criteria under this scheme and to decide whether to grant a subsidy. The Department's decision shall be final.

## **(B) Forms of Subsidy**

1. The subsidy may be granted in the following alternative forms:
  - (a) Where the applicant's booking of the venue does not require payment of Charge Based on Sales, the applicant will pay the Basic Hire Charge less a discount (65% off for the major venues #(see Note 1) and 50% off for the minor venues #(see Note2), rounded up/down to the nearest hundred dollars (major venues) or to the nearest ten dollars (minor venues)).
  - (b) Where the applicant's booking requires payment of Charge Based on Sales, the applicant will have to pay such Charge Based on Sales but will be granted a discount off the Basic Hire Charge, subject to the exceptional cases in (c) and (d) below. An example is given as follows for illustrating (b):

Basic Hire Charge	-	\$20,000
Discount offered	-	\$20,000×65%=\$13,000
Charge Based on Sales	-	the specified percentage (say 20%)of the ticket proceeds from the function (say \$150,000)less the Basic Hire Charge (\$20,000) i.e. \$150,000×20%-\$20,000 =\$10,000
Total hire charges payable by the applicant	-	(\$20,000- \$13,000)+\$10,000=\$17,000

- (c) Where the applicant's booking ordinarily requires payment of Charge Based on Sales but the applicant is a non-profit-making arts organization with a clearly stated aim to promote the arts in its constitution, the applicant will enjoy both the discount off the Basic Hire Charge and a waiver of the Charge Based on Sales. In the case of the above example, the amount of hire charges payable will only be:

$$\$20,000-\$13,000=\$7,000$$

- (d) Where the applicant's booking ordinarily requires payment of Charge Based on Sales but the function is for charitable fund-raising, the applicant will enjoy a waiver of the Charge Based on Sales but will have to pay the full Basic Hire Charge (\$20,000 in the case of above example).

2.No waiver or discount will be granted for charges for miscellaneous services, equipment and other reimbursables.

### **(C) Application Procedure**

1.The applicant should furnish the following together with the application form:-

- (a) (i) certificate of registration or notification of establishment of society under the Societies Ordinance ;or
- (ii) certificate of incorporation under the Companies Ordinance ;or
- (iii)certificate of registration on the list of approved charitable institutions or trusts of a public character ;and
- (b) a copy of the Constitution or Memorandum and Articles of Association duly signed by the Chairman and one other office-bearer to the effect that it is a true copy.

2.For charitable fund-raising function held by a non-profit-making organization, a confirmation letter from the charitable institution(s) for whom funds are being raised should be provided. The said charitable institution(s) must be registered on the list of approved charitable institutions or trusts of a public character.

3.The applicant is required to submit a copy each of all relevant publicity materials one month before the function. A copy of house programme should also be submitted on or before the first day of the function.

4.The subsidy is granted subject to the applicant's absolute compliance with the criteria for subsidy and observance of the Terms and Conditions of Hire. If the applicant fails to observe this condition or any information provided by the applicant is found to be untrue, the Leisure and Cultural Services Department reserves the right to recover the full amount of the subsidy.

#Note 1:Major venues include Concert Hall, Theatre, Exhibition Hall and Exhibition Galley.

#Note 2:Minor Venues include Recital Hall, Committee Room North and Committee Room South.