CT: Accountants Advisers

Museum and galleries exhibition tax relief (MGTR)

What is MGTR?

MGTR is a tax relief aimed at charities', or their trading subsidiaries, that produce exhibitions. The headline is, for every £100 spent producing an exhibition, a charity can reclaim £36 by making an MGTR claim, increasing to £40 when the exhibition is touring.

Are we eligible?

To be eligible for the relief you must be:

- Subject to corporation tax — even if you don't submit annual returns or pay any tax.
- A charity or a company 100% owned by a charity or local authority.
- The primary production company — responsible for producing the exhibition.
- The secondary production company – responsible for the exhibition at a particular venue.

What are the criteria for an exhibition to qualify?

The key points for an exhibition to qualify are:

- Curated display of objects or works with a scientific, historic, artistic or cultural interest.
- 10% of the costs were incurred in the UK.
- Nothing in the exhibition is alive or for sale.
- It's not related to a competition of any kind.
- Open to the general public, whether admission is free or paid.

My company meets all the criteria – how do I claim?

MGTR claims must be included in a company's corporation tax self-assessment, within two years from the end of the accounting period. There's a list of supplementary information that must also be provided to HMRC, such as the total expenditure, and the total tax credit being claimed etc. There's also suggested information that'll help HMRC determine eligibility and process the claim faster — such as a breakdown of expenditure and an analysis for each exhibition, as well as details of any apportionments or assumptions used.

At CT, we have a great deal of experience in supporting charities through this process. We aim to submit claims that maximise the relief available but are also well evidenced — to minimise the risk of HMRC raising an enquiry. In fact, we've never had a HMRC enquiry into a MGTR claim.

We love to hear about all the interesting exhibitions you're showcasing, so if you have any questions, please contact:
Conall.boyle@ct.me

Author: Conall Boyle, CT:Corporate Tax