

Orchestra tax relief (OTR)

What is OTR?

OTR is a tax relief aimed at companies producing orchestral concerts. The headline is, for every £100 spent producing a concert, your company may be able reclaim £40 by making an OTR claim.

Are we eligible?

To be eligible for the relief, your company must have overall control and responsibility for the concerts — the Orchestral Production Company (OPC), as the legislation refers to it. You must also be subject to corporation tax, whether as a commercial company or a charitable company — even if the charity doesn't submit annual returns and ordinarily pay tax.

What are the criteria for a concert to qualify?

The key points for a concert to qualify are:

- Must be live with at least 12 instrumentalists performing.
- Majority of the instruments are not amplified.
- Performing for paying members of the public, or for education purposes.
- At least 10% of the expenditure is in the UK.
- Not part of a competition or contest.
- Recording the concert is not the main object.

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

OTR 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 concert, as well as details of any apportionments or assumptions used.

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

We love to hear about all the exciting concerts you're performing, so if you have any questions, please contact:

Conall.boyle@ct.me

Author: Conall Boyle, CT:Corporate Tax