***Draft***

**Law of Georgia on the Status of Artists**

The Law of Georgia on the "Status of Artists" is based on the Constitution of Georgia, the Law of Georgia on "Culture," international experience in the legal regulation of the cultural sector, the 1980 UNESCO Recommendations, the 2005 UNESCO Paris "Convention on the Protection and Promotion of the Diversity of Cultural Expressions," and takes into account the centuries-old traditions of Georgian national culture, with the aim of establishing a dignified place for the country's sustainable development and international community through creative activity and culture as global public goods.

**Article 1 Purpose of the Law:** Given the importance of the cultural and creative sectors, the law aims to:

a) Define the financial, tax, and social status of artists and cultural workers;

b) Legally protect their rights and freedoms;

c) Create a legal basis for professional growth and development;

d) Ensure the continuous increase in their contribution to the formation of the gross domestic product and strengthen the stability of the labor market;

e) Improve the support for creative activities;

f) Improve living and working conditions;

g) Ensure moral, economic, and social security and unceasingly care for the well-being of each individual.

 **Article 2. Definitions of Terms** The terms used in this law have the following meanings:

a) **Art** - A broad concept of human creative activities, which includes the creation of works through literary, musical, theatrical, visual, video-audio, or any other expressive means, conveyed by the author's imagination or technical talent, aiming to appreciate beauty or emotional power. In its most generalized form, art includes the creation of art pieces, art criticism, the study of art history, and the dissemination and perception of art aesthetics.

b) **Artist** - A natural person, a creative worker who operates in any field of art, plays a significant role in society's life and evolution process, achieves new, socially significant results through creative activity, participates in the creation and interpretation of works of science, literature, and art as defined by the Georgian Law on Copyright and Related Rights. Anyone who creates, creatively reflects, or recreates a piece of art and considers their artistic activity as an integral part of their life, contributing to the development of art and culture, regardless of whether they are employed in any field of art or culture or are a member of any professional association, is recognized as an art worker. An artist can be employed or self-employed.

c) **Artist Status** - Recognition of the role of artists and cultural workers in society's sustainable development, given the social significance of creative and/or cultural workers' activities, the uniqueness of their working manner, and their rights and freedoms, including moral, economic, and social rights, with an emphasis on income and social protection issues.

d) **Employed Artist** - A natural person who receives more than 50% of their total annual income from professional artistic activities, conducts creative work at a professional level, publicly presents such work in public spaces, in publications, stage and concert performances, film-television-video works, and other forms. The professionalism of an artist is confirmed by paid artistic professional activities, which may not correspond to a diploma-recognized profession or specialty. A person performing only technical and organizational tasks or materially assisting another person in creating and interpreting cultural value cannot be considered a professional artist.

e) **Self-employed Artist (Freelancer)** - A professional in the creative and cultural field who receives more than 50% of their total annual income from professional artistic activities and works independently.

f) **Cultural Worker** - For the purposes of this law, a cultural worker is a natural person engaged in activities in the cultural sector and/or performing supportive or auxiliary activities for the production of the cultural sector.

g) **Cultural Activity** - Socio-cultural activity represents an individual's integral characteristic, reflecting their life position and manifesting in morally motivated willingness and readiness to participate in and show initiative in the assimilation and further development of values. It includes the creation, assimilation, preservation, and development of works of literature and art, protected or expected to be protected by copyright or related rights.

h) **Cultural Activity, Goods, and Services** - Activities, goods, and services considered by specific usage or purpose characteristics embody or carry cultural self-expression features, regardless of commercial value. Cultural activity can be an end in itself and/or promote the production of cultural goods or provide services.

i) **Cultural Industry** - The sector that produces goods obtained through cultural activity and serves their dissemination.

j) **Professional Artistic Activity** - The creative field of cultural activity aimed at the creation and interpretation of works of science, literature, and art as defined by the Georgian Law on Copyright and Related Rights; it includes the act of creation based on professional knowledge and skills, creative expression, or the recreation of a piece of art, and has economic equivalent/market value.

 **Article 3. Granting the Status of Artist**

1. A natural person wishing to obtain the status of an artist is entitled to submit an application to the Revenue Service and request the granting of the status.
2. A natural person wishing to obtain the status of an artist must attach fiscal documentation to the application, confirming compliance with the conditions for granting the status, specifically: a) For a natural person to be eligible for artist status, at the time of requesting registration, they must have received more than 50% of their total taxable income from cultural activities or professional artistic activities in the previous calendar year, specifically:
	1. Income derived from copyright and related rights and professional artistic activities and cultural activities;
	2. Individual term employment contracts in cultural activities, professional artistic activities, and the cultural sector.
	3. Along with the registration application, the applicant is obliged to submit a declaration of compliance with the conditions at their own responsibility.
	4. Once a year, the applicant must submit fiscal documents confirming that more than 50% of their income comes from cultural or professional artistic activities.
	5. The applicant must also present a financial document issued by the National Revenue Service confirming the income of the previous calendar year, the last one-time income declaration submitted in the previous calendar year, and an administrative document authorizing their activities.
	6. The application may be submitted in physical or electronic form to the Revenue Service, and the status will be approved or rejected within 30 days of submission.
3. If the status holder does not submit the declaration of compliance with the conditions within the specified time frame, their artist status will be suspended. The applicant's artist status will be reinstated no later than 30 days after submitting the required documentation to rectify the suspension.

**Article 4. Registration Conditions**

1. The artist status is valid for three calendar years from the date of registration.
2. After registering as an artist, the artist must submit a declaration to the registration authority once a year, no later than October 1, confirming that they have met the 50% income threshold.
3. At the end of the three calendar years, by October 1, the natural person can request re-registration, provided that at least 50% of their taxable income during this period is derived from cultural and professional artistic activities.
4. Obtaining and registering for artist status is voluntary and does not preclude the use of other tax regimes and statuses.

**Article 5. Benefits for Status Holders**

1. For the purposes of this law, a natural person with the status of a self-employed artist is subject to the special taxation regime provided for in subparagraph "d" of Article 83 of the Tax Code.
2. Income from cultural and artistic activities conducted in compliance with this law will not be taxed on 40% of the total income.
3. Remunerated work performed by a person holding the status of an artist will not be considered public activity as defined by the Law of Georgia on State Pensions.
4. To regulate/improve/protect the working conditions of individuals with artist status and to ensure the introduction of a bonus system, special targeted state programs will be created for the relevant trade unions and professional associations, which will also contribute to their strengthening and activation.

**Article 6. Professional Development of Artists and Cultural Workers**

1. To support the professional career development of cultural workers and artists, a state program for professional development, training, and qualification enhancement will be created, which will be financed annually from the state budget, taking inflation into account.
2. State agencies are obligated to allocate separate funds in their annual budgets for the necessary means to provide paid financing for local support programs.

**Article 7. Infrastructure Support**

1. To encourage and support creative and cultural activities, authorized state agencies will ensure the allocation of appropriate spaces for individuals with artist status to carry out their activities.
2. To achieve the goal indicated in the first paragraph of this article, state agencies will use cultural houses, cinemas, and cultural facilities under their management, including non-functional buildings, to achieve the purposes of this law, including creating work and exhibition spaces, and supporting cultural and artistic activities.
3. To achieve the goal indicated in the first paragraph, the relevant sectoral ministry, within its competence, will ensure the arrangement of appropriate spaces, payment of utility bills, and administration.

 **Article 8. Social Rights**

1. The state ensures social rights and health insurance for artists and cultural workers, specifically: a) The right to medical leave and benefits due to temporary disability caused by any illness or accidents outside of work; b) Medical leave and maternity benefits; c) Medical leave and benefits for caring for a sick child and/or parent; d) Medical leave and benefits for pregnancy-related risks.
2. The state provides appropriate health insurance for artists, including the identification and prevention of occupational diseases.
3. Special state programs will be created to subsidize health insurance against occupational diseases for artists and cultural workers.

**Article 9. Rights and Freedoms of Artists and Cultural Workers**

Artists and cultural workers have the following rights and freedoms: a) Freedom of creative and cultural self-expression; b) The right to collective and individual bargaining; c) The right to participate in collective actions; d) The right to establish or join a professional association; e) The right to consultation or exchange of information; f) The right to take leave; g) The right to maternity leave; h) The right to protection from abuse of superior position; i) All other rights granted by law and international conventions.

**Article 10. Labor Rights**

1. For the purposes of this law, a self-employed artist with the status granted by the official registration authority shall be considered a self-employed person and equated with an employee under a labor contract.
2. Persons with the status of a self-employed artist enjoy the rights provided by the Organic Law of Georgia, the Labor Code.
3. The minimum salary for artists and cultural workers must not be less than three times the subsistence minimum.
4. A temporarily unemployed artist who has made contributions to the fund for at least 12 months is entitled to benefit from social assistance for unemployed artists.

**Article 11. Development of the Field of Culture and Art**

1. To strengthen the status of artists, the state promotes the development of the field of culture and art. To this end, relevant agencies shall take the following steps: a) Develop and approve a research-based cultural development strategy for 2025-2035, reflecting the principles of this law; b) Develop and approve sectoral strategies for art and state funding programs.
2. The state facilitates the diversification of financial sources for culture to strengthen: a) The study, development, and dissemination of new cultural fields, contemporary art, as well as new media and digital art; b) The use and integration of new technical and technological achievements in existing professions, and the promotion of their study, development, and dissemination using modern methodologies.
3. Through relevant sectoral programs, the state particularly focuses on the restoration, study, development, and dissemination of forgotten/traditional professions and supports artists working in these professions.

**Article 12. Culture and Art Support Fund**

1. To support projects promoting culture and art, cultural and artistic activities, the social and health support of artists and cultural workers, and the diversification of cultural funding sources, a Culture and Art Development Support Fund is established.
2. The rules for the management and organization of the Culture and Art Support Fund shall be determined by a decree of the Government of Georgia.
3. The sources of income for the Culture and Art Support Fund are: a) Contributions from the Government of Georgia; b) Donations from individuals or entrepreneurial legal entities; c) Funding allocated by international organizations; d) Other sources.

**Article 13. Tasks of the Culture and Art Support Fund**

The Culture and Art Support Fund will be used to support the following projects and activities:

1. The creation, dissemination, and development of cultural and artistic products.
2. The exchange of cultural and artistic products between the population living in territories controlled by the central government of Georgia and those living in occupied territories.
3. International exchange of culture and art and the promotion of cultural mobility.
4. Ensuring the welfare of artists and cultural workers and financing appropriate healthcare and social protection programs for this purpose.

**Article 14. Transitional Provisions**

1. The Ministry of Culture and Sports of Georgia shall ensure until December 31, 2025:

a) approval of research-based culture development strategy for 2025-2035;

b) Approval of sectoral sub-strategies and sectoral programs of state funding.

2. The Ministry of Regional Development and Infrastructure of Georgia shall provide relevant acts approval by December 31, 2026.

3. Executive bodies of the municipality shall provide relevant acts approval by December 31, 2026.

4. Until December 31, 2026, the Government of Georgia should ensure the creation of a culture and art supporting fund and the development of the fund's organizational management charter.

**Article 15. Term of entry into force of the law**

This law will come into effect on January 1, 2026

**President of Georgia Salome Zurabishvili**