



THE VISUAL ARTISTS' RESALE ROYALTY SCHEME

Visual artists can now receive a 5% royalty on the sale price of commercial resales of their work.

The Australian visual artists' resale royalty scheme entitles visual artists to receive payment of a 5% royalty on certain resales of their works. The royalty applies to existing as well as new works, but does not apply to the first change of ownership after 8 June 2010, even if that is a resale.

The Australian Government has appointed Copyright Agency Limited (CAL) to manage the scheme, collect the royalty in each case and ensure the artist is paid the royalty.

A wide range of artworks are included in the scheme: artists' books, batiks, carvings, ceramics, collages, digital artworks, drawings, engravings, fine art jewellery, glassware, installations, lithographs, multimedia artworks, paintings, photographs, pictures, prints, sculptures, tapestries, video artworks and weavings.

HOW THE SCHEME AFFECTS ART DEALERS, GALLERIES, AUCTION HOUSES AND OTHERS INVOLVED IN THE BUYING AND SELLING OF ART

The buyer, seller and 'art market professional' (the dealer, gallery, auction house, etc) involved in the resale are jointly and severally responsible to pay the royalty. Each has a legal responsibility to ensure that the royalty is paid, and the royalty can be recovered from any one of them, or from them all. An art market professional can choose to pay the royalty to CAL, and recover the amount from the buyer and/or seller.

The seller of an artwork has a legal obligation to report the resale, but this can be done through an agent, such as a gallery, auction house or dealer. CAL recommends that galleries, auction houses and dealers provide information about resales they have been involved with to ensure CAL has the information necessary to determine whether or not a royalty is payable. This is important, considering art market professionals' responsibility for payment of the royalty (together with the buyer and seller).

For more information on how the resale royalty scheme affects art dealers, galleries and auction houses, please call CAL on 1800 066 844.

HOW THE SCHEME AFFECTS ARTISTS - HOW TO PARTICIPATE

To participate in the scheme, artists need to register online at www.resaleroyalty.org.au.

Registration for artists is important, because it ensures CAL can contact artists to advise when a resale of their work entitles them to receive a royalty.

A form-based registration process is also available for those who don't wish to use the internet – contact CAL Member Services on 1800 066 844 to find out more.

While the scheme is focused on commercial resales, some artists may wish to keep CAL advised of their primary sales. If we have primary sales information, it helps us clarify when a work next changes hands. This will in turn help us identify commercial resales that are eligible for the royalty, while also assisting with provenance.

For more information on how the resale royalty scheme affects artists, please call CAL Member Services on 1800 066 844.

For more information, and to register to participate in the scheme or report resales online, visit www.resaleroyalty.org.au