Bauer can’t do this at home...

HEINRICH Bauer Verlag, the German magazine publisher which bought a swathe of EMAP titles in the UK, has run into a spot of bother – or two, one in the UK and one at home.

On 5 May a court in Hamburg struck out key provisions of a contract that boss Heinz Heinrich Bauer was trying to impose on freelance photographers trying to do work for his German titles.

First, the court overruled a contract term that would allow Bauer to re-use pictures in all its outlets for a single fee.

Second, it rejected the ideas that one fee could pay for currently-unknown kinds of use (telepathic media, anyone?) or syndication to third parties. Future uses must be paid for separately.

Third, it ruled that photographers have a right to a credit and Bauer’s contract could not make them waive their right to take action to enforce this.

Fourth, and most interestingly, it declared illegal a clause obliging the photographers to indemnify Bauer for costs of any legal action by third parties arising from this work.

Unlike Maercks-Franzen of the journalists’ section of the union ver.di hoped that the ruling would send a strong signal that contract conditions that weaken the legal rights of journalists and burden them with financial risk are now ruled out. Michael Konken, a member of the federal executive of the German Journalists’ Union, said that the judgement again confirmed journalists’ legal right to fair pay.

Meanwhile, and nevertheless, Bauer was, at the time of writing, still trying to impose these terms, and worse, on freelance contributors to his music magazines in the United Kingdom.

More than 200 journalists have signed up to a statement rejecting the deal, which concludes by asking: “Will Bauer’s magazines sell more copies if they push these contracts through, so losing the services of many of their most expert, reliable and popular contributors?”

The full statement is online at www.londonfreelance.org/f1/1005grab.html with links to the extensive press coverage the journalists’ resistance has garnered.

The company is refusing to negotiate or to alter the contract. But journalists who are in communication with it were on 18 May waiting for a promised letter modifying the contract’s scope and placing limits on how it can be interpreted by the company.

Meanwhile, a report from the German Newspaper Publishers’ Association points out that its members are doing rather better than their US counterparts. It points the finger at short-termist cost-cutting driven by stock price panic – but shows that proper authors’ rights are no obstacle to success.

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Tax, wholly and exclusively

A FREELANCE took his tax return down to the local HM Revenue and Customs (HMRC) office every year. They calculated what he owed and he sent a cheque. Until the time they fined him £100 for underpayment. “But you told me that’s what I owed!” he cried. “But you’re responsible for getting it right!” they guffawed.

That’s what Eric Longley, accountant to the stars and several members of LFB, told May’s branch meeting – on the Monday of the Brown-Clegg coalition flirtation, which meant he was guessing about the new Government’s upcoming Budget.

But, he said, the Lib Dems’ proposal to raise the lower limit of taxable income from £6485 to £10,000 – embraced by Cameron-Clegg the following day – would leave every taxpayer with an extra £1400 per year (taking NI contributions into account).

However, he suggested that, if VAT is increased, voluntary registration would become a more attractive proposition for freelances (it’s compulsory over £70,000 a year turnover) because it would enable us to claw back more money.

Another useful gambit for recession-beleaguered freelances, said Eric, could be to check their entitlement to Working Person’s Tax Credit: see http://taxcredits.hmrc.gov.uk

With most members asking about claimable expenses, he cautioned against “waving red flags” at HMRC: “Tell them your net income after expenses is £3000 and they will wonder how you manage to live and start asking questions”.

The basic rule is to claim against tax only costs “wholly and exclusively incurred in the performance of the trade or profession”. Fortunately, though, it’s not as simple as that. A proportion of a particular expense might arise “wholly” from your business. For instance, if working at home you can claim a “reasonable” percentage of heat and light bills. A third, say, might be acceptable, providing it reflects the business usage of the property. Eric cautioned against claiming the costs of a mortgage as that might compromise the capital gains exemption on the sale of your home.

“The same considerations apply in all areas: travel from your office/home on business is allowable but phone calls to your old mum are not business expenditure. NUJ subs make the cut OK (hey, that’s HMRC offering a 20 per cent discount on union membership! Shhhs...).

By way of less mundane illustration, Eric said he’d once successfully claimed for dental work on behalf of