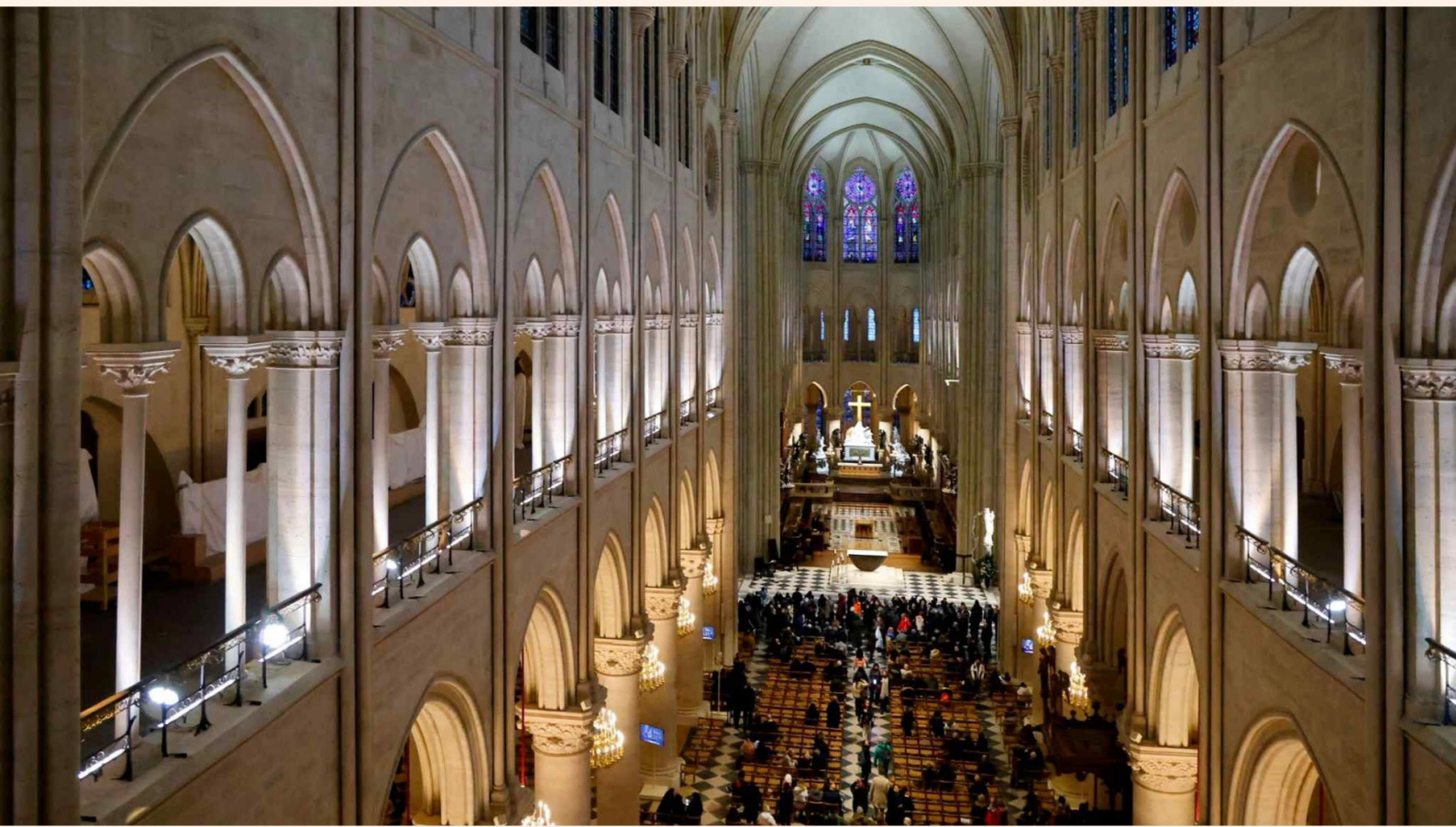


# The UK should take a leaf from France's book to boost arts funding

Tax breaks for corporate sponsors can benefit the creative sector at a time of dwindling public funds

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Notre-Dame cathedral, Paris. France's Aillagon law has transformed cultural funding, with the overall volume of declared patronage increasing from €1bn in 2004 to nearly €4bn in 2018 © POOL/AFP via Getty Images

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The UK government's announcement last week of £60mn to support the creative industries is very welcome, but what if there was another untapped source of money to drive economic growth? The UK's creative industries are vital to the economy. Valued at £124bn, they are worth more than the life sciences, aerospace and automotive industries combined. Arts and culture alone contribute an impressive £34.6bn.

Beyond the economic value, the subsidised arts sector nurtures creative and technical talent and creates new intellectual property. Award-winning creators like Sam Mendes, Phoebe Waller-Bridge and Stephen Daldry honed their craft in the subsidised sector before generating billions through global franchises like *James Bond* and *The Crown*.

Yet this critical element of our creative ecosystem is in crisis. According to a 2024 report by the University of Warwick and Campaign for the Arts, the government's core cultural funding dropped by 18 per cent between 2009 and 2023. Arts Council England funding also decreased by 18 per cent, and local government funding in England fell by 48 per cent. A 2023 analysis of 2,800 arts organisations showed a combined deficit of £117.8mn — the worst financial position in five years.

A renewed funding model is needed — with state investment at its heart. One compelling solution could lie in France's Aillagon law.

Introduced in 2003 by then [culture](#) minister Jean-Jacques Aillagon, this policy incentivises corporate philanthropy for arts and charities by offering a 60 per cent tax relief on donations, capped at 0.5 per cent of a company's annual turnover. The law has transformed France's cultural funding, with the overall volume of declared patronage increasing from €1bn in 2004 to nearly €4bn in 2018.

Corporate philanthropy is now embedded in France's creative ecosystem. In 2017 the Louvre was generating €12mn annually from the Aillagon law. Versailles raised €10mn and the Centre Pompidou €5mn. Most strikingly, in 2019, France raised €850mn within 72 hours to rebuild [Notre-Dame cathedral](#) thanks to corporate generosity nurtured by the Aillagon law.

By contrast, the UK's corporate sector remains an untapped resource for [arts](#) funding. Over the past decade, FTSE 100 charitable donations fell by 34 per cent. True, there are some visionary, committed sponsors of the arts. But 70 per cent of commercial sponsorship goes to sports, not the arts.

A UK version of the Aillagon law could catalyse private investment in the arts. By offering tax incentives for corporate donors, the government could encourage the business sector to step in where public funding falls short.

Critics of the Aillagon law argue that generous tax breaks shift a lot of the burden of donations on to taxpayers. However, this overlooks the broader benefits. A thriving cultural sector develops new intellectual property and supports jobs, tourism and innovation, while fostering community cohesion and national identity.

This isn't just about the money. It's about stimulating collaboration between culture and commerce — much needed, given current [arts sponsorship protests](#), which risk making sponsors think twice about aligning with the arts.

France's Aillagon law demonstrates how visionary policy can transform cultural funding. It's more than a fiscal mechanism. It's a catalyst for cultural vitality and corporate engagement, while reducing reliance on dwindling public funds.

Given the state of the nation's finances, the UK government must match its commitment to support the arts with bold action. Adopting a French-style policy could win the Labour government a place in history for securing the future of the UK's arts sector — and driving economic growth.