

Act No. 97/2006 of June 13, 2006, on Amendments to Copyright Act No.
73/1972, with subsequent amendments.

Article 1

Article 25 b of the Act shall read as follows:

Authors shall be entitled to a royalty (resale right) for the resale of original works of art, including oil, acrylic, tempera, water-colour, gouache and pastel paintings, pictures and drawings executed using other techniques, graphics works, including lithographs, engravings, etchings, prints, sculptures, tapestries, glassware and mosaics, ceramics, porcelain, silver and gold works of an artistic category and photographs. The right shall apply to originals and copies of works of art produced by the artist or with his permission. The right shall not apply to works of architecture.

The royalty shall be paid in all instances of resale involving, as sellers, buyers or intermediaries, art market professionals, including auction houses, art galleries and art dealers. The royalty shall be payable by the seller or intermediary. In instances where only the seller is an art market professional, he alone shall pay the royalty. At no time shall the royalty amount to the equivalent, in Icelandic krónur (ISK) of EUR 12,500.

The royalty shall be paid in Icelandic krónur, based on the sale exchange rate of the euro on the date of sale, as follows.

1. 10% of the portion of the sale price up to the equivalent of EUR 3,000;
2. 5% of the portion of the sale price from the equivalent of EUR 3,000.01 to EUR 50,000;
3. 3% of the portion of the sale price from the equivalent of EUR 50,000.01 to EUR 200,000;
4. 1% of the portion of the sale price from the equivalent of EUR 200,000.01 to EUR 350,000;
5. 0.5% of the portion of the sale price from the equivalent of EUR 350,000.01 to EUR 500,000;
6. 0.25% of the portion of the sale price in excess of the equivalent of EUR 500,000.

The royalty entitlement provided for in the first paragraph of this Article shall remain in force until copyright expires (*cf.* Article 43). The entitlement shall pertain to the author, and shall be unassignable. It shall, however, pass to the legal heirs following the death of

the author. If the author's royalty entitlement is not inherited by legal heirs, or if the sums due cannot be disposed of, they shall pass to the rightholders' organisation in accordance with the provision of the fifth paragraph of this Article.

Royalties may only be collected by a rightholders' association approved by the Ministry of Education, Science and Culture. The association shall attend to the collection of royalties as provided for under the first paragraph of this Article and deliver them to the author following the deduction of a suitable consideration for their collection. Rightholders' claims against the association may be exercised for three years counted from the end of the year in which the resale takes place. The period of limitation applying to claims shall be suspended by the submission of a written claim from a rightholder.

Sellers, intermediaries and buyers as mentioned in the second paragraph shall:

1. submit to the association mentioned in the fifth paragraph six-monthly accounts and statements of royalty payments, endorsed by a certified public accountant, based on 1 January and 1 July each year, applying to the resale of works of art covered by the first paragraph of this article during the previous six months, and
2. submit within four weeks, in response to a demand from the association, all the information necessary to ensure the payment of royalties, providing that such demands are submitted within three years of the resale of the work of art.

If the accounts and information regarding the resale of works of art as provided for under the sixth paragraph are not submitted to the organisation mentioned in the fifth paragraph within 30 days of the sending of a special request to the party liable to make the payment, the organisation may estimate the royalties collected by the party concerned in respect of the resale of works of art. Collection of such estimated amounts may be effected by attachment.

The provisions of this paragraph shall not apply to works of art sold at art auctions; fees levied in such instances are subject to the special provisions of the Commercial Operations Act. Further provisions on the application of this Article shall be issued in the form of regulations.

Article 2

Item 2 of the second paragraph of Article 54 of the Act shall read as follows: Instances in which a party mentioned in the second paragraph of Article 25 b fails to send the association mentioned in the fifth paragraph of Article 25 b the information referred to in the sixth paragraph of Article 25 b.

Article 3

This Act gives effect to Directive 2001/84/EC of the European Parliament and of the Council of 27 September 2001 on the resale right for the benefit of the author of an original work of art.

Article 4

This Act takes immediate effect.

Passed by the Althingi on 2 June 2006.