

CGTN AMERICA & CCTV UN: U.S. Film Tariff Proposal Sparks Industry Concern

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WASHINGTON, May 7, 2025 /PRNewswire-PRWeb/ -- CGTN America & CCTV UN releases "U.S. Film Tariff Proposal Sparks Industry Concern"

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Officials, including Australia's Home Affairs Minister Tony Burke, New Zealand Prime Minister Christopher Luxon, and the UK government's Culture Media and Sport Committee chair Dame Caroline Dinenage MP, have pledged to defend their domestic film sectors following Trump's announcement.

Industry experts note that the global film industry is highly integrated. Most box office revenue for U.S. studios comes from international markets, and many American-made films are shot overseas in countries like Canada, the UK, and Australia, where tax incentives and

lower labor costs help boost profitability.

William Reinsch, a former U.S. Commerce Department official, expressed concern that the tariff policy may invite retaliatory measures from other countries. "The retaliation will kill our industry. We have a lot more to lose than to gain," he told Reuters.

According to Yuyuan Tiantian, a social media account affiliated with China Media Group, Hollywood is already under pressure from Trump administration's earlier "reciprocal" tariffs, which have increased production costs. Since films are considered intellectual property and are not currently subject to tariffs, applying them would be legally and technically complex, adding further confusion and instability to the industry.

The proposed tariff could also push foreign films to streaming platforms and force many low- and mid-budget arthouse films out of U.S. theaters, limiting American audiences' exposure to global cinema.

According to ProdPro, U.S. domestic big-budget film production has dropped 26% over the past two years, while spending abroad has risen. Experts argue that Hollywood's decline is driven primarily by high domestic costs, not foreign competition. Meaningful reforms such as incentives could offer a more effective strategy than tariffs to support the industry's revival.

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Contact : [**Distribution@cgtnamerica.com**](mailto:Distribution@cgtnamerica.com)

Media Contact

Xia Hui, CGTN America, 1 2023931850, [**distribution@cgtnamerica.com**](mailto:distribution@cgtnamerica.com)

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