

The Big Table*

Film and Video Incentives in Canada

Amount of incentive	Requirements	Fees and contacts
FEDERAL		
Canadian Film or Video Production Tax Credit 25% of eligible labour (maximum: 15% of total production costs on productions commenced after Nov. 14, 2003; 12% of total production costs prior to Nov. 14). Corporation may only claim a credit equal to the proportional interest in the copyright.	Entity: Taxable corporations whose primary business is production of films and videos through a permanent establishment in Canada. Content/Copyright: Minimum Canadian content requirement. Must own copyright for at least 25 years, and the film or video must be broadcast in Canada within two years of completion. Other: 75% of the production costs must be paid to Canadian individuals or companies, and at least 75% of post-production costs must be incurred in Canada.	0.15% of the eligible cost of production for a Part A application, 0.15% of the eligible cost of production for a Part B application, or 0.30% of the eligible cost of production for a combined application (minimum cost is \$200). Payable to Receiver-General for Canada. www.pch.gc.ca/cavco 1 888 433 2200
Canadian Film or Video Production Services Tax Credit 16% of the Canadian labour expenditure (no maximum) and 11% of the Canadian labour expenditure incurred prior to Feb. 18, 2003.	Entity: Taxable corporations with a permanent establishment whose primary business is production of films and videos in Canada. Content/Copyright: No content restrictions. Must own the copyright while production occurs in Canada, or must have contracted directly with the copyright holder for provision of production services if copyright owner would not qualify for credit. Other: Production must meet a cost minimum.	\$5,000, with rebate available if aggregate credit related to a production is less than \$25,000. Minimum fee after rebate is \$1,000. Payable to Receiver-General for Canada. www.pch.gc.ca/cavco 1 888 433 2200
PROVINCIAL		
Film Incentive BC Basic tax credit: 35% ¹ of qualified BC labour (maximum: 16.8% total production cost) (increase from 30% to 35% for productions commencing after Dec. 31, 2007). + Regional tax credit: 12.5% of qualified BC labour if more than 50% of the BC principal photography is outside the Vancouver area (maximum: 6% of total production cost). + Training tax credit: 3% of qualified BC labour (maximum: 30% of trainees' salaries).	Entity: BC-controlled taxable Canadian corporation in business of production of Canadian films and videos and with a permanent establishment in BC. Content/Copyright: Minimum Canadian content requirement. Must own more than 50% of the copyright for at least 25 years, and film or video must be broadcast in Canada within two years of completion. For an inter-provincial co-production, the entitlement is based on the percentage of copyright and must own more than 20% of the copyright. Equity ownership by anyone other than certain prescribed persons will disqualify any entitlement to credits by all copyright owners. Other: 75% provincial cost restrictions apply.	The greater of 0.05% of production costs and \$200, plus \$200 for a preliminary eligibility certificate, which must be issued before an application for the completion credit. Payable to British Columbia Film. www.bcfilm.bc.ca 604 736 7997
British Columbia Production Services Tax Credit Basic tax credit: 25% ¹ of qualified BC labour expenditure (no maximum) (increase from 18% to 25% for productions commencing after Dec. 31, 2007). + Regional tax credit: 6% of qualified BC labour if more than 50% of the BC principal photography is done outside the Vancouver area.	Entity: Taxable corporations with a permanent establishment in BC, whose primary business is production of films and videos. Content/Copyright: No content restrictions. Must own copyright while production occurs in BC, or must have contracted directly with copyright holder for provision of production services. Other: Production must meet a cost minimum. Principal photography of the production must begin before June 1, 2008.	\$5,000, with rebate available if aggregate credit related to a production is less than \$25,000. Minimum fee after rebate is \$1,000. Payable to British Columbia Film. www.bcfilm.bc.ca 604 736 7997
British Columbia Digital Animation or Visual Effects Tax Credit	For details, see the "Digital Media and Animation Incentives in Canada" component of <i>The Big Table</i> .	
Alberta Film Development Program 14% to 23% of production costs spent in Alberta depending on Alberta ownership and key creative positions (annual maximum: \$1,500,000 per project and company). <i>This is a non-recoupable grant program and not a tax credit</i>	Entity: Taxable corporation with a permanent establishment in Alberta whose primary business is production of films and videos. Distributors and/or broadcasters are not eligible to apply. Content/Copyright: No content restrictions. No copyright requirements. Other: Project must be supported by Canadian broadcast licence or distribution agreement. Grant application must be made before commencement of principal photography.	No fee for application or receipt of this grant. www.albertafilms.ca 780 422 8584 or 1 888 813 1730
Saskatchewan Film Employment Tax Credit 45% of eligible Saskatchewan labour expenditures (maximum: 22.5% of total production cost) (increase from 35% to 45% effective Jan. 1, 2006). + Regional tax credit: 5% of total Saskatchewan production costs for operations 40 km outside Saskatoon or Regina. + Saskatchewan key creative position bonus: 5% of eligible labour.	Entity: Saskatchewan-controlled Canadian taxable corporations with a permanent establishment in Saskatchewan. Cannot be, or deal non-arm's length with, a holder of a CRTC broadcaster licence. Content/Copyright: No content restrictions. No copyright requirements. Other: Minimum of 25% of salaries and wages must be paid to Saskatchewan residents.	No fee for application or receipt of this credit. www.saskfilm.com 306 798 3457
Manitoba Film and Video Production Tax Credit 45% of eligible Manitoba labour expenditures (increase from 35% to 45%) where principal photography starts after Mar. 8, 2005). + Regional tax credit: 5% of eligible Manitoba labour if 50% of principal photography shot outside of Winnipeg. + Frequent filming bonus: additional 5% of eligible Manitoba labour on third film produced within 2 years.	Entity: Canadian taxable corporations with a permanent establishment in Manitoba whose primary business is production of films or videos. Content/Copyright: No content restrictions. No copyright requirements. Other: Minimum of 25% of salaries and wages must be paid to eligible employees (Manitoba residents) for work performed in Manitoba (excluding documentaries).	No fee for application or receipt of this credit. www.mbfilmsound.mb.ca 204 947 2040
Ontario Film and Television Tax Credit 35% ¹ of qualified Ontario labour (no maximum) (increase from 30% to 35% for labour expenditures incurred after Dec. 31, 2007). + Regional tax credit: 10% if principal photography is outside the Greater Toronto Area. + Enhancement for first-time producers: 40% on the first \$240,000 of qualified Ontario labour.	Entity: Canadian-controlled taxable corporations with a permanent establishment in Ontario whose primary business is production of films and videos. Content/Copyright: Minimum Canadian content requirement. Must be owned until distribution requirements met. Other: Project must be supported by Canadian broadcast licence or distribution agreement. 75% resident cost restrictions apply. 85% of days of principal photography or animation are done in Ontario.	The greater of 0.06% of production budget and \$100 (maximum \$5,000). Payable to Ontario Media Development Corporation. www.omdc.on.ca 416 314 6858
Ontario Production Services Tax Credit 25% ¹ of qualified Ontario labour expenditure (no limit) (increase from 18% to 25% for labour expenditures incurred after Dec. 31, 2007).	Entity: Taxable corporations with a permanent establishment in Ontario, whose primary business in Canada is the production of films and videos. Content/Copyright: No content restrictions. Must own copyright while production occurs in Ontario, or have contracted directly with copyright owner if said owner would not qualify for the credit. Other: Minimum cost restrictions apply.	\$5,000, with rebate if aggregate credit related to a production is less than \$25,000. Minimum fee after rebate is \$1,000. Payable to Ontario Media Development Corporation. www.omdc.on.ca 416 314 6858
Ontario Computer Animation and Special Effects Tax Credit	For details, see the "Digital Media and Animation Incentives in Canada" component of <i>The Big Table</i> .	
Québec Film and Television Production Tax Credit 29.1667% of qualified Québec labour (maximum: 14.58% of production costs), or 39.375% of qualified Québec labour for French language films and Giant-screen films (maximum: 19.687% of production costs). + Regional bonus: 19.3958% of qualified labour for Québec corporations outside Montréal and productions shot outside Montréal. Maximum per production: lesser of 24.28% of production costs and \$2,187,500.	Entity: Québec-controlled corporations whose primary business is production of films and videos with a permanent establishment in Québec, and that does not hold a CRTC licence. Individual producer of the production must have been resident in Québec on December 31 of the year preceding the year in which an application is filed. Content/Copyright: SODEC point test requirement. Administrative requirement is for copyright to be owned until distribution requirements are met. Other: Project must be supported by a Canadian broadcast licence for broadcast in Québec or distribution agreement ensuring Québec distribution. 75% resident cost restrictions apply.	\$1.75 per \$1,000 of Québec production costs. Minimum fee is \$100 and maximum fee is \$25,000. Payable to Société de développement des entreprises culturelles (SODEC). A \$50 non-refundable fee applies. www.sodec.gouv.qc.ca 514 841 2200 or 1 800 363 0401 www.sodec.gouv.qc.ca/cinema_en.php (English)
Québec Production Services Tax Credit 25% ¹ of qualified Québec labour expenditure (no maximum) (increase from 20% to 25% for labour expenditures incurred after Dec. 20, 2007).	Entity: Taxable corporations with a permanent establishment in Québec whose primary business in Canada is production of films and videos. Content/Copyright: No content restrictions. Corporation must own copyright while production occurs in Québec, or must have contracted directly with copyright holder for provision of production services if copyright owner would not qualify for the credit. Other: Minimum costs restrictions apply.	\$3.00 per \$1,000 of qualified labour on first \$1.5 million of labour, and \$1.75 per \$1,000 on amounts over \$1.5 million. Minimum fee is \$350 and maximum fee is \$25,000. Payable to Société de développement des entreprises culturelles (SODEC). A \$50 non-refundable fee applies. www.sodec.gouv.qc.ca 514 841 2200 www.sodec.gouv.qc.ca/cinema_en.php (English)
Québec Film and Television Dubbing Tax Credit 29.1667% of eligible dubbing labour (maximum 11.8125% of total dubbing costs).	Entity: Taxable corporations with a permanent establishment carrying on a dubbing services business in Québec. Content/Copyright: No content restrictions. No copyright requirements. Other: Québec employee restrictions apply.	\$1.75 per \$1,000 of eligible dubbing labour. Minimum fee is \$50. Payable to Société de développement des entreprises culturelles (SODEC). A \$50 non-refundable fee applies. www.sodec.gouv.qc.ca 514 841 2200 www.sodec.gouv.qc.ca/cinema_en.php (English)
Québec Computer Animation and Special Effects Tax Credit	For details, see the "Digital Media and Animation Incentives in Canada" component of <i>The Big Table</i> .	
New Brunswick Film Tax Credit 40% of the eligible New Brunswick labour expenditures incurred before Jan. 1, 2008 (maximum: 50% of total production costs).	Entity: Canadian taxable corporations with a permanent establishment in NB whose primary business in Canada is film and video production, and that does not hold a CRTC licence. Content/Copyright: No content restrictions. No copyright requirements. Other: Minimum of 25% of total salaries and wages must be paid to New Brunswick residents.	No fee for application or receipt of this credit. www.nbfilm.ca 506 869 6868
Nova Scotia Film Industry Tax Credit 50% of eligible Nova Scotia labour expenditures (maximum: 25% of total production costs) (increase from 35% to 50% for productions that start principal photography after Sept. 30, 2007). + 10% regional credit if principal photography is outside the metro Halifax zone (maximum: 5% of total production costs). + Frequent filming bonus: additional 5% of eligible Nova Scotia labour on third film produced within 2 years.	Entity: Canadian taxable corporations with a permanent establishment in Nova Scotia whose primary business in Canada is production of films and videos. Content/Copyright: No content restrictions. No copyright requirements. Other: Minimum of 25% of total wages and salaries must be paid to Nova Scotia residents.	0.2% of eligible Nova Scotia Labour (minimum \$200, maximum \$2,000 per application), plus \$100 for pre-application (referred to as Part A), plus 14% HST. Payable to Nova Scotia Film Development Corporation. www.film.ns.ca 902 424 7177
Prince Edward Island Innovation & Development Tax Credit 35% refundable tax credit of 150% eligible PEI labour costs (maximum \$40,000 per year for labour costs to related parties).	Entity: A corporation with a permanent establishment in PEI that carries on business within a strategic industrial sector and from which it undertakes the development or commercialization of new or innovative products (i.e., interactive, information and communication technologies). Content/Copyright: No content restrictions. No copyright restrictions. Other: Only 2 years of eligible expenditures are claimable.	Filing: Application to PEI Department of Development and Technology for a Preliminary Certificate before the start date of production. A Final Certificate must be applied for within six months of the earlier of the estimated completion date of the project as set out in the Preliminary Certificate and the actual completion date. Fees: No fees for this credit. www.gov.pe.ca 902 368 6300 www.gov.pe.ca/development/ptrp/index.php3
Newfoundland and Labrador Film and Video Industry Tax Credit 40% of eligible Newfoundland and Labrador labour expenditures (maximum: 25% of total production costs. Annual tax credit maximum: \$3 million per 12-month period).	Entity: Canadian taxable corporations with a permanent establishment in Newfoundland and Labrador whose primary business in Canada is production of films, television or videos. Broadcasters and cable companies are not eligible. Content/Copyright: No content restrictions. No copyright requirements. Other: Minimum of 25% of wages and salaries must be paid to Newfoundland and Labrador residents.	No fee for application or receipt of this credit. www.nfldc.ca 709 738 3456 or 1 877 738 3456
Yukon Film Incentive Rebate 35% of eligible Yukon labour expenditures (maximum: 17.5% of total production costs). + Travel rebate on 50% of cost of travel from Vancouver to Whitehorse (maximum: \$15,000). <i>This is a rebate and not a tax credit.</i>	Entity: Corporations with a permanent establishment in Yukon whose primary business in Canada is the production of films and videos. Content/Copyright: No content restrictions. No copyright requirements. Other: Minimum of 25% of total labour person-days taken by eligible Yukon labour.	No fee for application or receipt of this refundable cash rebate. www.reelyukon.com 867 667 5400

1. Proposed change – not yet received provincial legislative approval.

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PRICEWATERHOUSECOOPERS 

The Big Table Film and Video Incentives

Canada
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Our forecasts show filmed entertainment spending in Canada will grow at a 4% compound annual growth rate to US\$6.9 billion in 2011 from \$5.6 billion in 2006.¹

Most traditional entertainment and media segments are being affected by the shift to digital and shift to distribution on convergent platforms (convergence of the home computer, wireless handset and television). In Canada, the Internet access and advertising segment is expected to see the largest growth with a 12.2% compound growth rate.¹ This will be driven by the growth in online advertising which is forecasted to grow explosively fuelled by the use of the Internet as an entertainment centre for social networking and a distribution channel to access entertainment content.

Additional incentives may be available for entertainment companies looking to expand into the Internet and other platforms. We have therefore expanded *The Big Table* to include these other types of incentives by adding a "Digital Media and Animation Incentives in Canada" component to this "Film and Video Incentives" component.

The Entertainment and Media Practice of PricewaterhouseCoopers provides global, national and middle market companies with unparalleled breadth of experience and a comprehensive range of professional services. We welcome the opportunity to put our industry expertise and resources to work for you. Please contact the PricewaterhouseCoopers professional nearest you to find out how we can assist your company.

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¹ Global Entertainment and Media Outlook: 2007–2011:

