

The Big Table

Film and Video Incentives in Canada

See also the “Digital Media and Animation Incentives in Canada” component of *The Big Table*.

| Amount of incentive | Requirements | Fees and contacts |
|---|--|---|
| FEDERAL | | |
| Canadian Film or Video Production Tax Credit 25% of qualified labour (maximum: 15% of total production costs). Corporations may claim only a credit equal to the proportional interest in the copyright. | Entity: Canadian-controlled taxable corporations whose primary business is production of Canadian films and/or videos through a permanent establishment in Canada. Content/Copyright: Minimum Canadian content requirement. Must own copyright for at least 25 years. Must be broadcast in Canada within two years of completion. Other: 75% of production services costs must be paid to, or on behalf of, Canadian individuals or companies, and at least 75% of post-production costs must be incurred in Canada. | 0.15% of eligible production cost for a Part A application, 0.15% of eligible production cost for a Part B application, or 0.30% of the eligible cost of production for a combined application (minimum fee \$200). Payable to Receiver General for Canada. www.pch.gc.ca/cavco 888 433 2200 |
| Canadian Film or Video Production Services Tax Credit 16% of qualified Canadian labour (no maximum). | Entity: Taxable corporations with a permanent establishment in Canada whose primary business is production of, or production services for, films and/or videos in Canada. Content/Copyright: No Canadian content restrictions. Must have contracted directly with the copyright holder for production services if copyright owner does not qualify for credit. Other: Production must meet a cost minimum. | \$5,000, with rebate available if aggregate credit related to a production is under \$25,000. Minimum fee after rebate is \$1,000. Payable to Receiver General for Canada. www.pch.gc.ca/cavco 888 433 2200 |
| PROVINCIAL/TERRITORIAL | | |
| Alberta Film Development Program 14% to 23% of Alberta production costs, depending on Alberta ownership and Albertan key creative positions (annual maximum: \$1,500,000 per project and company). <i>This is a non-recoupable grant and not a tax credit</i> | Entity: Taxable corporations with a permanent establishment in Alberta whose primary business is production of films and videos. Distributors and/or broadcasters are not eligible. 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.albertafilmm.ca 780 422 8584 |
| Film Incentive BC 35% of qualified BC labour (maximum: 16.8% of total production costs); 30% for labour incurred before 2008 (maximum: 14.4% of total production costs). + Regional 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). + Distant location credit: 6% of portion of qualified BC labour for productions for which principal photography began after February 19, 2008, for production in a prescribed area. + Training credit: 3% of qualified BC labour (maximum: 30% of trainees' salaries). | Entity: BC-controlled taxable Canadian corporations with a permanent establishment in BC in business of production of Canadian films and videos. Content/Copyright: Minimum Canadian content requirement. Must own more than 50% of the copyright for at least 25 years. Must be broadcast in Canada within two years of completion. For an inter-provincial co-production, entitlement is based on the percentage of copyright and must own more than 20% of the copyright. Equity ownership by anyone other than prescribed persons will disqualify all copyright owners entitlement from credits. Other: 75% provincial cost restrictions. | Greater of 0.06% 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 25% of qualified BC labour expenditure (no maximum); 18% for labour incurred before 2008. + Regional credit: 6% of qualified BC labour if more than 50% of the BC principal photography is outside the Vancouver area. + Distant location credit: 6% of qualified BC labour after February 19, 2008, for production in a prescribed area. | Entity: Taxable corporations with a permanent establishment in BC, whose primary business is production of films and video. 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 must begin before June 1, 2013. | \$5,500, with rebate available if aggregate credit related to a production is \$25,000 or less. Minimum fee after rebate is \$1,000. Payable to British Columbia Film. www.bcfilm.bc.ca 604 736 7997 |
| Manitoba Film and Video Production Tax Credit 45% of eligible Manitoba labour. + Regional credit: 5% of eligible Manitoba labour if at least 50% of principal photography shot outside Winnipeg. + Frequent filming bonus: 10% of eligible Manitoba labour on third film produced within 2 years; 5% if principal photography started before 2008 + Producer bonus: 5% of eligible Manitoba labour if a Manitoba resident is credited as a producer and principal photography started after 2007. | 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 Manitoba residents for work performed in Manitoba (for documentaries, 25% rule applies, but work does not need to be done in Manitoba). | No fee for application or receipt of this credit. www.mbfilmsound.mb.ca 204 947 2040 |
| New Brunswick Film Tax Credit 40% of the eligible New Brunswick labour incurred before 2009 (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 |
| Newfoundland and Labrador Film and Video Industry Tax Credit 40% of eligible Newfoundland and Labrador labour (maximum: 25% of total production costs. Maximum tax credit: \$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 residents of the province. | No fee for application or receipt of this credit. www.nlfdc.ca 709 738 3456 or 877 738 3456 |
| Nova Scotia Film Industry Tax Credit 50% of eligible Nova Scotia labour (maximum: 25% of total production costs); 35% (up to 17.5% of total production costs) if principal photography started before Oct. 1, 2007. + Regional credit: 10% of eligible Nova Scotia labour if principal photography is outside metro Halifax (maximum: 5% of total production costs); 5% (up to 2.5% of total production costs) if principal photography started before Oct. 1, 2007. + Frequent filming bonus: 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. (Productions must be intended for cinema or television and have a minimum viewing length of 20 minutes.) | 0.2% of eligible Nova Scotia Labour (minimum \$200, maximum \$2,000 per application), plus \$100 processing fee, plus 13% HST. Payable to Nova Scotia Film Development Corporation. www.film.ns.ca 902 424 7177 |
| Nunavut Labour Rebate 40% of eligible Nunavut labour (maximum funding: \$300,000 per year). + Regional rebates: 5% for productions in Inuktitut + 5% for productions outside of Iqaluit. <i>This is a rebate and not a tax credit.</i> | Entity: Nunavut-based companies. Content/Copyright: No content restrictions. Must hold free and clear title and copyright to the intellectual property. | No fee for application or receipt of this rebate. www.nunavutfilm.ca 867 979 3012 |
| Ontario Film and Television Tax Credit 35% of qualified Ontario labour (no maximum); 30% for labour incurred before 2008. + Regional credit: 10% of qualified Ontario labour if principal photography is outside the Greater Toronto Area. + Enhancement for first-time producers: 5% of the first \$240,000 of qualified Ontario labour; 10% before 2008. | 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. Must be copyright owner for 25 years. Other: Project must be supported by Canadian broadcast licence or distribution agreement. 75% Ontario cost restrictions. 85% of days of principal photography or animation and 95% of post-production costs must be in Ontario. | Greater of 0.06% of production costs and \$100 (maximum \$5,000). Payable to Ontario Media Development Corporation. www.omdc.on.ca 416 314 6858 |
| Ontario Production Services Tax Credit 25% of qualified Ontario labour (no limit); 18% for labour incurred before 2008. | Entity: Taxable corporations with a permanent establishment in Ontario, whose primary business in Canada is the production of films and videos. Content/Copyright: No Canadian content restrictions. Must own copyright while production occurs in Ontario, or have contracted directly with copyright owner if owner does not qualify for the credit. Other: Minimum cost restrictions apply. Only costs incurred in Ontario are eligible. | \$5,000, with rebate if aggregate credit related to a production is under \$25,000. Minimum fee after rebate is \$1,000. Payable to Ontario Media Development Corporation. www.omdc.on.ca 416 314 6858 |
| Prince Edward Island Innovation & Development Tax Credit 35% of 150% eligible PEI labour (maximum \$40,000 per year for labour costs to related parties). | Entity: Corporations 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. | No fee for application or receipt of this credit. www.gov.pe.ca/development/ptrp/index.php3 902 368 6300 |
| Quebec Film and Television Production Tax Credit 29.1667% of qualified Quebec labour (maximum: 14.58% of production costs), or 39.375% of qualified Quebec labour for French language films and giant-screen films (maximum: 19.687% of production costs). + Regional bonus: 19.3958% of qualified labour for Quebec corporations outside Montreal and productions shot outside Montreal (maximum: 24.28% of production costs). Maximum per production: \$2,187,500. | Entity: Quebec-controlled corporations whose primary business is production of films and videos with a permanent establishment in Quebec. Individual producer must have been resident in Quebec on December 31 of the year preceding the year 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 Quebec or distribution agreement ensuring Quebec distribution. 75% resident cost restrictions. | \$1.75 per \$1,000 of Quebec production costs. Minimum fee is \$100; maximum is \$25,000. Payable to Société de développement des entreprises culturelles (SODEC). www.sodec.gouv.qc.ca 514 841 2200 www.sodec.gouv.qc.ca/cinema_en.php (English) |
| Quebec Production Services Tax Credit 25% ¹ of qualified Quebec labour (no maximum); 20% for labour incurred before December 21, 2007). | Entity: Taxable corporations with a permanent establishment in Quebec whose primary business in Canada is production of films and videos. Content/Copyright: No content restrictions. Corporation must own copyright while production occurs in Quebec, or must have contracted directly with copyright holder for provision of production services if copyright owner does not qualify for the credit. Other: Minimum costs restrictions apply. | \$3.00 per \$1,000 of qualified labour on first \$1.5 million. \$1.75 per \$1,000 on amounts over \$1.5 million. Minimum fee is \$350; maximum fee is \$25,000. Payable to Société de développement des entreprises culturelles (SODEC). www.sodec.gouv.qc.ca 514 841 2200 www.sodec.gouv.qc.ca/cinema_en.php (English) |
| Quebec 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 Quebec. Content/Copyright: No content restrictions. No copyright requirements. Other: Quebec employee restrictions apply. | Minimum fee of \$50. \$1.75 per \$1,000 of eligible dubbing labour. Payable to Société de développement des entreprises culturelles (SODEC). www.sodec.gouv.qc.ca 514 841 2200 www.sodec.gouv.qc.ca/cinema_en.php (English) |
| Saskatchewan Film Employment Tax Credit 45% of eligible Saskatchewan labour (maximum: 22.5% of total production costs). + Regional credit: 5% of total Saskatchewan production costs for operations 40 km outside Saskatoon or Regina. + Saskatchewan key 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 9800 |
| Yukon Film Incentive Rebate 35% of eligible Yukon labour (maximum: 17.5% of total production costs). + Travel rebate on up to 50% of travel costs from Vancouver, Edmonton or Calgary to Whitehorse (maximum: \$15,000). + Training rebate: up to 35% of eligible Yukon trainees' wages. <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. For travel rebate: Production company must be outside Yukon and Yukon labour content must be at least 15% of the total person days on the Yukon portion of the production. | No fee for application or receipt of this cash rebate. www.reelyukon.com 867 667 5400 |

1. Proposed change, awaiting royal assent.

The Big Table*

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*connectedthinking

PRICEWATERHOUSECOOPERS 

The Big Table Film and Video Incentives

Canada
August 1, 2008

Our forecasts show filmed entertainment spending in Canada will grow at a 4.9% compound annual growth rate to US\$7.5 billion in 2012 from \$5.9 billion in 2007.¹

Most traditional entertainment and media segments are being affected by the shift to digital and to distribution on convergent platforms (the home computer, wireless handset and television). In Canada, the Internet advertising (wired and mobile) was the fastest growing segment in 2007, and is expected to achieve a significant 21.1% compound growth rate.¹ This will be driven by the forecast explosive expansion in online advertising, fuelled by the use of the Internet as an entertainment centre for social networking and as a distribution channel for entertainment content.

Additional incentives may be available for entertainment companies looking to expand into the Internet and other platforms. Our publication *The Big Table* therefore includes these other types of incentives in the "Digital Media and Animation Incentives in Canada" 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: 2008–2012:

