

# The Big Table of Film and Video Incentives

Amount of incentive	Requirements	Fees and contacts
<b>Canadian Film or Video Production Tax Credit</b> 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.	<b>Entity:</b> Taxable corporations whose primary business is production of films and videos through a permanent establishment in Canada. <b>Content/Copyright:</b> 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. <b>Other:</b> 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.  <a href="http://www.pch.gc.ca/cavco">www.pch.gc.ca/cavco</a> 613 946 7600 or 1 888 433 2200
<b>Canadian Film or Video Production Services Tax Credit</b> 16% of the Canadian labour expenditure (no maximum) and 11% of the Canadian labour expenditure incurred prior to Feb. 18, 2003.	<b>Entity:</b> Taxable corporations with a permanent establishment whose primary business is production of films and videos in Canada. <b>Content/Copyright:</b> 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. <b>Other:</b> 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.  <a href="http://www.pch.gc.ca/cavco">www.pch.gc.ca/cavco</a> 613 946 7600 or 1 888 433 2200
<b>Film Incentive BC</b> Basic tax credit: 30% of qualified B.C. labour (maximum: 14.4% total production cost) (increase from 20% to 30% effective Jan. 1, 2005) + Regional tax credit: 12.5% of qualified B.C. labour if more than 50% of the B.C. principal photography is outside the Vancouver area (maximum: 6% of total production cost) + Training tax credit: 3% of qualified B.C. labour (maximum: 30% of trainees' salaries)	<b>Entity:</b> B.C.-controlled taxable Canadian corporation in business of production of Canadian films and videos and with a permanent establishment in B.C. <b>Content/Copyright:</b> 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. <b>Other:</b> 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.  <a href="http://www.bcfilm.bc.ca">www.bcfilm.bc.ca</a> 604 736 7997
<b>British Columbia Production Services Tax Credit</b> Basic tax credit: 18% of qualified B.C. labour expenditure (no max.) (increase from 11% to 18% effective Jan. 1, 2005) + Regional tax credit: 6% of qualified B.C. labour if more than 50% of the B.C. principal photography is done outside the Vancouver area	<b>Entity:</b> Taxable corporations with a permanent establishment in B.C., whose primary business is production of films and videos. <b>Content/Copyright:</b> No content restrictions. Must own copyright while production occurs in B.C., or must have contracted directly with copyright holder for provision of production services. <b>Other:</b> 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.  <a href="http://www.bcfilm.bc.ca">www.bcfilm.bc.ca</a> 604 736 7997
<b>British Columbia Digital Animation or Visual Effects Tax Credit:</b> 15% of qualified B.C. labour related to production of digitally-created motion picture images (production began after Mar. 31, 2003)	<b>Entity:</b> Must be eligible for the Film Incentive BC basic tax credit or BC Production Services tax credit. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> This credit is claimed in conjunction with either the Film Incentive BC tax credit or the British Columbia Production Services Tax Credit.	No additional fees for this credit.  <a href="http://www.bcfilm.bc.ca">www.bcfilm.bc.ca</a> 604 736 7997
<b>Alberta Film Development Program</b> 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>	<b>Entity:</b> 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. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> 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.  <a href="http://www.albertafilms.ca">www.albertafilms.ca</a> 780 422 8581
<b>Saskatchewan Film Employment Tax Credit</b> 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	<b>Entity:</b> Saskatchewan-controlled Canadian taxable corporations with a permanent establishment in Sask. Cannot be, or deal non-arm's length with, a holder of a CRTC broadcaster licence. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> Minimum of 25% of salaries and wages must be paid to Saskatchewan residents.	No fee for application or receipt of this credit.  <a href="http://www.saskfilm.com">www.saskfilm.com</a> 306 798 3456 or 1 800 561 9933
<b>Manitoba Film and Video Production Tax Credit</b> 45% of eligible Manitoba labour expenditures (increase from 35% to 45% effective March 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	<b>Entity:</b> Canadian taxable corporations with a permanent establishment in Manitoba whose primary business is production of films or videos. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> 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.  <a href="http://www.mbfilmsound.mb.ca">www.mbfilmsound.mb.ca</a> 204 947 2040
<b>Ontario Film and Television Tax Credit</b> 30% of qualified Ontario labour (no maximum) (increase from 20% to 30% effective Jan. 1, 2005) + Regional tax credit: 10% if principal photography is outside the Greater Toronto Area + Enhancement for first-time producers: 10% on the first \$240,000 of qualified Ontario labour	<b>Entity:</b> Canadian-controlled taxable corporations with a permanent establishment in Ontario whose primary business is production of films and videos. <b>Content/Copyright:</b> Minimum Canadian content requirement. Must be owned until distribution requirements met. <b>Other:</b> 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), plus \$100 for interim estimate letter of approval. Payable to Ontario Media Development Corporation.  <a href="http://www.omdc.on.ca">www.omdc.on.ca</a> 416 314 6858
<b>Ontario Production Services Tax Credit</b> 18% of qualified Ontario labour expenditure (no limit) (increase from 11% to 18% effective Jan. 1, 2005)	<b>Entity:</b> Taxable corporations with a permanent establishment in Ontario, whose primary business in Canada is the production of films and videos. <b>Content/Copyright:</b> No content restrictions. Must own copyright while production occurs in Ontario, or have contracted directly with copyright holder if copyright owner would not qualify for the credit. <b>Other:</b> 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.  <a href="http://www.omdc.on.ca">www.omdc.on.ca</a> 416 314 6858
<b>Ontario Computer Animation and Special Effects Tax Credit</b> 20% of qualified Ontario labour (maximum: 9.6% of net cost of eligible computer animation and special effects activities prior to May 11, 2005)	<b>Entity:</b> Canadian taxable corporations that perform eligible computer animation and special effects activities for eligible productions and which have a permanent establishment in Ontario. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> This credit may be claimed in conjunction with either the OFTTC or the OPSTC.	The greater of 0.06% of eligible activities and \$100 (maximum \$5,000), plus \$100 for interim estimate letter of approval. Payable to Ontario Media Development Corporation.  <a href="http://www.omdc.on.ca">www.omdc.on.ca</a> 416 314 6858
<b>Québec Film and Television Production Tax Credit (QFTPTC)</b> 29.1667% of qualified Québec labour (maximum: 14.58% of production costs), or 39.375% of qualified Québec labour for French language films (maximum: 19.687% of production costs) + Regional bonus: 19.3958% of qualified labour for Québec productions shot outside Montréal  Maximum per production: lesser of 24.28% of production costs and \$2,187,500	<b>Entity:</b> Canadian taxable 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. <b>Content/Copyright:</b> SODEC point test requirement. Administrative requirement is for copyright to be owned until distribution requirements are met. <b>Other:</b> 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 Quebec production costs. Minimum fee is \$100 and maximum fee is \$25,000. Payable to Société de Développement des Entreprises Culturelles (SODEC).  <a href="http://www.sodec.gouv.qc.ca">www.sodec.gouv.qc.ca</a> 514 841 2200
<b>Québec Production Services Tax Credit (QPSTC)</b> 20% of qualified Québec labour expenditure (no maximum) (increase from 11% to 20% effective Jan 1, 2005)	<b>Entity:</b> Taxable corporations with a permanent establishment in Québec whose primary business in Canada is production of films and videos. <b>Content/Copyright:</b> 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. <b>Other:</b> 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. Payable to Société de Développement des Entreprises Culturelles (SODEC).  <a href="http://www.sodec.gouv.qc.ca">www.sodec.gouv.qc.ca</a> 514 841 2200
<b>Québec Computer Animation and Special Effects Tax Credit</b> 10.2083% of qualified Québec labour (maximum: 5.1041% of production costs) for claims relating to QFTPTC, and + 20% of qualified Québec labour for claims related to QPSTC	<b>Entity:</b> Canadian taxable corporations that perform eligible computer animation and special effects activities for eligible productions and that have a permanent establishment in Québec. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> Claimed in conjunction with QFTPTC or the QPSTC. See maximum QFTPTC credit, above.	No additional fees for this credit.  <a href="http://www.sodec.gouv.qc.ca">www.sodec.gouv.qc.ca</a> 514 841 2200
<b>Québec Film and Television Dubbing Tax Credit</b> 29.1667% of eligible dubbing labour (maximum 11.8125% of total dubbing costs)	<b>Entity:</b> Taxable corporations with a permanent establishment carrying on a dubbing services business in Québec. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> 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 href="http://www.sodec.gouv.qc.ca">www.sodec.gouv.qc.ca</a> 514 841 2200
<b>New Brunswick Film Tax Credit</b> 40% of the eligible New Brunswick labour expenditures incurred before Jan. 1, 2007 (maximum: 50% of total production costs)	<b>Entity:</b> Canadian taxable corporations with a permanent establishment in N.B. whose primary business in Canada is film and video production, and that does not hold a CRTC licence. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> Minimum of 25% of total salaries and wages must be paid to New Brunswick residents.	No fee for application or receipt of this credit.  <a href="http://www.nbfilm.com">www.nbfilm.com</a> 506 869 6868
<b>Nova Scotia Film Industry Tax Credit</b> 35% of eligible Nova Scotia labour expenditures (maximum: 17.5% of total production costs) (increase from 30% to 35% effective Jan. 1, 2005) + 5% regional credit if principal photography is outside the metro Halifax zone (maximum: 2.5% of total production costs) + Frequent filming bonus: additional 5% of eligible Nova Scotia labour on third film produced within 2 years	<b>Entity:</b> Canadian taxable corporations with a permanent establishment in Nova Scotia whose primary business in Canada is production of films and videos. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> 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 15% HST. Payable to Nova Scotia Film Development Corporation.  <a href="http://www.film.ns.ca">www.film.ns.ca</a> 902 424 7177
<b>Prince Edward Island Innovation &amp; Development Incentive</b> 52.5% of eligible P.E.I. labour expenditures (increase from 30% effective Jan. 1, 2006)  <i>This is a rebate and not a tax credit</i>	<b>Entity:</b> P.E.I. – controlled taxable Canadian corporation with a permanent establishment in P.E.I. <b>Content/Copyright:</b> No content restrictions. Minimum 25% of copyright ownership. <b>Other:</b> Minimum of 25% of wages and salaries must be paid to P.E.I. residents.	No fee for application or receipt of this rebate.  <a href="http://www.techpei.com">www.techpei.com</a> 902 368 5336
<b>Newfoundland and Labrador Film and Video Industry Tax Credit</b> 40% of eligible Newfoundland and Labrador labour expenditures (maximum: 25% of total production costs. Annual tax credit maximum: \$1 million per project and \$2 million per associated group of corporations)	<b>Entity:</b> Canadian taxable corporations with a permanent establishment in Newfoundland and Labrador and with assets of less than \$25 million, whose primary business in Canada is production of films, television or videos. Broadcasters and cable companies are not eligible. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> Minimum of 25% of wages and salaries must be paid to Newfoundland and Labrador residents for work done in Newfoundland and Labrador.	No fee for application or receipt of this credit.  <a href="http://www.newfilm.nf.net">www.newfilm.nf.net</a> 709 738 3456 or 1 877 738 3456
<b>Yukon Film Incentive Rebate</b> 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>	<b>Entity:</b> Corporations with a permanent establishment in Yukon whose primary business in Canada is the production of films and videos. <b>Content/Copyright:</b> No content restrictions. No copyright requirements. <b>Other:</b> Minimum of 25% of total labour person-days taken by eligible Yukon labour.	No fee for application or receipt of this refundable cash rebate.  <a href="http://www.reelyukon.com">www.reelyukon.com</a> 867 667 5400

# The Big Table of Film and Video Incentives in Canada

Canada

October 1, 2006

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PRICEWATERHOUSECOOPERS 

October 1, 2006

Our forecasts show that Canadian filmed entertainment spending will grow at a 5% compound annual rate to \$6.5 billion in 2010 from \$5.1 billion in 2005.<sup>1</sup> Canada has an intricate system of funding and incentives for domestic and foreign producers. PricewaterhouseCoopers' team of dedicated entertainment and media professionals has the specialized expertise to help you navigate the various credits and rebates.

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.

*Gabriel Nachman*  
Canadian Leader, Entertainment and Media Practice

<sup>1</sup> Global Entertainment and Media Outlook: 2006 – 2010

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