

# The big table

## Film and video incentives in Canada 2017 (part 1 of 3)



Amount	Requirements	Fees and contacts
<b>FEDERAL</b>		
<b>Canadian Film or Video Production Tax Credit</b> 25% of qualified labour (maximum: 15% of total production costs).	Entity: Canadian-controlled taxable corporation 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 or distributed 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 or Part B application, or 0.30% of the eligible cost of production for a combined application (minimum fee \$200). www.pch.gc.ca/cavco 888 433 2200
<b>Canadian Film or Video Production Services Tax Credit</b> 16% of qualified Canadian labour (no maximum).	Entity: Taxable corporation 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. www.pch.gc.ca/cavco 888 433 2200
<b>PROVINCIAL/TERRITORIAL</b>		
<b>Alberta Media Fund</b> 25% (no Alberta ownership is required) to 30% of eligible Alberta production costs. Maximum: \$5 million/project.	Entity: Taxable corporation incorporated or registered in Alberta, and engaged primarily in film, television or digital media production. Content/copyright: No content restrictions. No copyright requirements. Other: Application must be made before principal photography begins.	No fee for application or receipt of funding. www.albertamediafund.ca www.albertafilms.ca 780 422 8584
<b>Film Incentive BC Tax Credit</b> 35% of qualified BC labour (maximum: 21% of total production cost). + Regional credit: 12.5% of pro-rated qualified BC labour if more than 50% of the BC principal photography days are outside the Vancouver area (maximum: 7.5% of total production cost). + Distant location credit: 6% of pro-rated qualified BC labour for principal photography in a prescribed area if eligible for the regional credit. + Training credit: 3% of qualified BC labour (maximum: 30% of trainees' salaries). + BC Digital Animation, Visual Effects and Post-Production Tax Credit (see Part 3).	Entity: Canadian-controlled taxable Canadian corporation with a permanent establishment in BC in business of production of Canadian films or 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. Other: 75% minimum BC principal photography days. 75% BC cost restrictions. 75% BC post-production cost restrictions (except for treaty and inter-provincial co-productions and documentaries).	\$200 for eligibility application and 0.06% of final production costs (minimum \$200) for completion application. www.creativebc.com 604 736 7997
<b>British Columbia Production Services Tax Credit</b> 28% of qualified BC labour expenditure (no maximum). + Regional credit: 6% of pro-rated qualified BC labour if more than 50% of the BC principal photography days are outside the Vancouver area. + Distant location credit (see Film Incentive BC Tax Credit above). + BC Digital Animation, Visual Effects and Post-Production Tax Credit (see Part 3).	Entity: Taxable corporation with a permanent establishment in BC, whose primary business is production of films or 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. Only costs incurred in BC are eligible.	\$5,500; rebate if aggregate credit related to a production is \$25,000 or less. Minimum fee after rebate is \$1,500. www.creativebc.com 604 736 7997
<b>Manitoba Film and Video Production Tax Credit</b> Either: 45% of eligible Manitoba labour (no maximum). + 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 two years (or first film, if co-produced with a Manitoba company that already has "Frequent Filmer" status). + Producer bonus: 5% of eligible Manitoba labour if a Manitoba resident is credited as a producer, co-producer or executive producer. Or: 30% of eligible Manitoba production costs (no maximum).	Entity: Canadian taxable corporation 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).	\$350 plus 0.05% of production costs exceeding \$20,000 (maximum \$5,000) for a completion application. <sup>1</sup> No fee for registration or advance certificate of eligibility application. www.mbfilmmusic.ca 204 947 2040
<b>New Brunswick Film, Television &amp; New Media Industry Support Program Production Incentive</b> 40% of eligible New Brunswick labour (maximum: 20% of eligible production costs). Or: 25% or 30% of eligible New Brunswick expenditures (25% for variety and service productions; 30% for New Brunswick based productions or co-productions). Maximum: \$1 million/year (project maximums also apply).	Entity: Taxable corporation whose primary business is the production of film or television products. Distributors and broadcasters are not eligible. Content/copyright: No content restrictions. Minimum copyright ownership requirements for certain co-productions. Other: Must choose between using NB labour or NB expenditures incentive before signing the contractual agreement with New Brunswick.	No fee for application or receipt of funding. www.gnb.ca 506 453 3115
<b>Newfoundland and Labrador Film and Video Industry Tax Credit</b> 40% of eligible Newfoundland and Labrador labour (maximum: 25% of total production costs. Maximum tax credit: \$4 million per 12-month period).	Entity: Canadian taxable corporation 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
<b>Northwest Territories Film Rebate Program</b> NWT Labour/Training Rebate: 25% of eligible NWT labour (40% for recognized positions or for NWT residents receiving on-set training). NWT Expenditure Rebate: 25% of eligible NWT expenditures (40% if productions shot outside Yellowknife). NWT Travel Rebate: 10% of travel costs to/from the NWT and 35% of travel costs within the NWT (maximum: \$15,000/production).	Entity: NWT and non-NWT production companies. Content/copyright: No content restrictions. No copyright requirements. Other: Minimum \$60,000 expenditures must be incurred in the NWT. Travel costs exclude aerial photography.	No fee for application or receipt of this rebate. www.nwtfilm.com 844 698 3456 or 867 767 9205 ext. 63089
<b>Nova Scotia Film and Television Production Incentive Fund</b> 25% to 32% of eligible Nova Scotia expenditures, depending on Nova Scotia ownership, head of department positions, content, residence of actors and performers, location of principal photography in Nova Scotia, and duration of shoots. Maximum: \$4 million/project.	Entity: Taxable corporation with a permanent establishment and incorporated in Nova Scotia whose primary activity is creating film and video productions for public viewing. Content/copyright: No content restrictions. No copyright requirements. Other: Minimum cost restrictions. Minimum confirmed financing. Project must have commercial licence agreement. Application must be made before principal photography begins.	0.5% of Nova Scotia expenditures (maximum \$5,000 per application; \$250 up front). www.novascotiabusiness.com 902 424 7181
<b>Nunavut Spend Incentive Rebate</b> 17% to 30% of eligible Nunavut expenditures, depending on Nunavut ownership and Nunavut key creative positions, plus for productions in an Inuit language that are: + Original: 10% of eligible Nunavut expenditures (maximum: \$40,000) + Versioned: 5% of eligible Nunavut expenditures (maximum: \$20,000) Maximum: \$615,000/year.	Entity: Canadian taxable corporation whose primary activity is developing and producing film, television and/or digital media content. Content/copyright: No content restrictions. Must own 100% of copyright or first option to adapt and acquire copyright ownership. Other: Minimum \$25,000 expenditures must be incurred in Nunavut. Nunavut residents must hold a minimum number of key creative positions.	No fee for application or receipt of this rebate. www.nunavutfilm.ca 867 979 3012
<b>Ontario Film and Television Tax Credit (OFTTC)</b> 35% of qualified Ontario labour (no maximum). + Regional credit: 10% of qualified Ontario labour if at least 85% of principal photography shot outside the Greater Toronto Area. + Enhancement for first-time producers: 5% of the first \$240,000 of qualified Ontario labour. + Ontario Computer Animation and Special Effects Tax Credit (see Part 3).	Entity: Canadian-controlled taxable corporation with a permanent establishment in Ontario whose primary business is production of films or videos. Content/copyright: Minimum Canadian content requirement. Must control initial licensing of commercial exploitation. Must be copyright owner for 25 years. Other: Project must be supported by Canadian broadcast licence or distribution agreement with a Canadian, Ontario-based distributor. 75% Ontario cost restrictions. 85% of days of principal photography or animation (except for documentaries and co-productions) and 95% of post-production costs must be in Ontario (except for co-productions).	Greater of 0.15% of eligible expenditures and \$500 (maximum \$10,000). www.omdc.on.ca 416 642 6659
<b>Ontario Production Services Tax Credit (OPSTC)</b> 21.5% of qualified Ontario production expenditures (no maximum). + Ontario Computer Animation and Special Effects Tax Credit (see Part 3).	Entity: Taxable corporation with a permanent establishment in Ontario, whose primary business in Ontario is production of films or videos. Content/copyright: No Canadian content restrictions. Must own copyright while production is produced in Ontario, or have contracted directly with copyright owner to provide production services if owner is not a qualifying corporation. Other: Minimum budgeted cost restrictions apply. Only costs incurred in Ontario are eligible. Restrictions relate to Ontario labour expenditures.	Greater of 0.15% of eligible expenditures and \$5,000 (maximum \$10,000). www.omdc.on.ca 416 642 6659
<b>Quebec Film and Television Production Tax Credit</b> French language and giant-screen films: 36% or 40% <sup>2</sup> of qualified Quebec labour (maximum: 18% or 20% <sup>2</sup> of production costs). + Regional bonus: 10% (8% <sup>3</sup> ) of qualified labour for Quebec corporations outside Montreal and productions shot outside Montreal (maximum: 5% (4% <sup>3</sup> ) of production costs). + Public financial assistance bonus: 16% (8% <sup>3</sup> ) of qualified Quebec labour (maximum: 8% (4% <sup>3</sup> ) of production costs). Other: 28% or 32% <sup>2</sup> of qualified Quebec labour (maximum: 14% or 16% <sup>2</sup> of production costs). + Regional bonus: 20% (16% <sup>3</sup> ) of qualified labour for Quebec corporations outside Montreal and productions shot outside Montreal (maximum: 10% (8% <sup>3</sup> ) of production costs). + Public financial assistance bonus: 16% (8% <sup>3</sup> ) of qualified Quebec labour (maximum: 8% (4% <sup>3</sup> ) of production costs). + Quebec Computer Animation and Special Effects Tax Credit (see Part 3). Maximum combined tax credits: 62% or 66% <sup>2</sup> (52% or 56% <sup>3</sup> ) <sup>3</sup> of qualified Quebec labour.	Entity: Quebec-controlled taxable corporation whose primary business is production of films and videos with an establishment in Quebec. Individual producer must have been resident in Quebec on December 31 of the year preceding the year an application is filed. Broadcasters are not eligible. Content/copyright: SODEC point test requirement for productions at least 75 minutes. 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. Corporation must control production of the film. (For productions for which an application is submitted before January 1, 2017, the basic credit is calculated on an "increased expenditure" equal to 102% of qualified labour.)	\$4 per \$1,000 of production costs. Minimum fee is \$250; maximum is \$25,000. Plus \$50 for eligibility assessment application. www.sodec.gouv.qc.ca 514 841 2200
<b>Quebec Production Services Tax Credit</b> 20% of qualified Quebec production expenditures (no maximum). + Quebec Computer Animation and Special Effects Tax Credit (see Part 3).	Entity: Taxable corporation with an establishment in Quebec whose chief business is production of films and videos. Content/copyright: No content restrictions. Qualified production category restrictions. Corporation must own copyright while production occurs in Quebec, or must have contracted with copyright holder for provision of production services if copyright owner does not qualify for the credit. Other: Minimum costs restrictions apply.	\$4 per \$1,000 of Quebec expenditures on first \$1.5 million. \$3 per \$1,000 on amounts over \$1.5 million. Minimum fee is \$1,000; maximum is \$25,000. Plus \$500 for approval certificate and \$50 for eligibility assessment application. www.sodec.gouv.qc.ca 514 841 2200
<b>Quebec Film Dubbing Tax Credit</b> 35% of eligible dubbing labour (maximum: 15.75% of dubbing costs).	Entity: Taxable corporation with an establishment in Quebec that carries on a dubbing services business in Quebec. Content/copyright: No content restrictions. No copyright requirements. Other: Quebec employee restrictions apply.	\$4 per \$1,000 of dubbing costs. Minimum fee is \$100. Plus \$50 for analysis of application. www.sodec.gouv.qc.ca 514 841 2200
<b>Saskatchewan Screen-Based Media Production Grant</b> 25% (no copyright ownership requirement) or 30% of eligible Saskatchewan expenses (maximum: \$600,000/year)	Entity: Saskatchewan-controlled taxable Canadian corporation with a permanent establishment in Saskatchewan involved in projects for television, cinema, video or digital delivery. Content/copyright: No content restrictions. Must control copyright to be eligible for 30% rate. Other: Minimum confirmed financing. Must have commercial licence agreement for television and third-party distribution agreement for feature films. Only costs incurred in Saskatchewan are eligible. To be eligible for the 30% rate, Saskatchewan ownership of production, financial and creative control must be proportionate to financial participation.	No fee for application or receipt of funding. www.creativesask.ca 306 798 3456 or 306 798 2002
<b>Yukon Film Location Incentive</b> Total rebate = (A + B) or C. Yukon Spend Rebate (A): 25% of eligible Yukon expenditures (if Yukon labour content is at least 50%). Yukon Training Rebate (B): Up to 25% of eligible trainer's wages. Yukon Travel Rebate (C): Up to 50% of travel costs from Vancouver, Edmonton or Calgary to Whitehorse (maximum: \$15,000) if Yukon labour content is at least 15% of the total person-days spent on the Yukon portion of the production.	Entity: Yukon Spend Rebate and Training Rebate: Both Yukon and non-Yukon production companies. Travel Rebate: Non-Yukon production companies only. Content/copyright: No content restrictions. No copyright requirements. Other: Applicants must qualify for the Spend Rebate before applying for the Training Rebate.	No fee for application or receipt of this cash rebate. www.reelyukon.com 867 667 5400

1. For the Manitoba Film and Video Production Tax Credit, no fees are charged for productions for which principal photography begins before September 1, 2017.  
 2. For the Quebec Film and Television Production Tax Credit, the lower rates apply to productions in the film category "films adapted from a foreign format."  
 3. For the Quebec Film and Television Production Tax Credit, the lower rates apply to productions for which an application for an advance ruling or certificate was filed before March 29, 2017.

# The *big* table

Your partner for film and video incentives in Canada



## *Navigating Canada's tax incentives for film and video*

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Canada's film and television industry continues to experience strong performance. In 2016, the annual volume of film and television production was \$6.76 billion and the industry employed 140,600 full time.<sup>1</sup>

The film and television industry is important in Canada. It is supported by federal, provincial and territorial governments, which encourage investment by domestic and foreign producers through incentives that help offset the cost of productions in Canadian locations.

*The big table* is your starting place for understanding the incentives offered in 2017.

### *The experience you can count on with PwC*

We are a passionate team that lives and breathes the media industry. Our team members include tax and assurance specialists who will work with you to ensure you stay on top of the tax and business issues that are important to you.

Let us show you how we can leverage our global network of over 3,900 entertainment and media industry-dedicated professionals to get the most for your business.

Please contact us for more information.

### **Tracey Jennings**

*National Media Incentives Team Leader | August 4, 2017*

1. *Profile 2016 - Canadian Media Production Association (CMPA), 2016*

### **Why PwC**

- Our unique value proposition: The right partner with the right expertise for the long term.
- A passionate team that lives and breathes the media industry.
- Deep Canadian and global expertise giving you confidence that issues are solved efficiently and effectively.
- We help throughout the entire process to ensure all concerns are addressed right from the beginning.

### **Who to call**



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