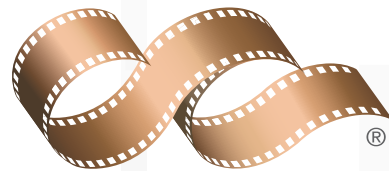


THE INCENTIVES PROGRAM



Cast & Crew
FINANCIAL SERVICES

SPRING 2015

SPRING 2015

SPRING 2015

THE INCENTIVES PROGRAM



These materials have been prepared as of March 1, 2015 by Cast & Crew Entertainment Services for **informational purposes only** and should not be construed as tax advice or relied on for specific production projects. Though every effort has been made to incorporate all changes as of the date noted above, laws and incentives change frequently and therefore, this information may have been revised. Please contact your tax advisor to confirm this information and the effect these incentive programs may have on your production. For updates and additional information, please visit the Production Incentives section of our website at castandcrew.com or send an email to joe.bessacini@castandcrew.com with UPDATES in the subject line.

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INSIDE THIS EDITION

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Welcome to Cast & Crew's Spring 2015 TIP Guide.

Production incentives are continuously changing. Here are some of the changes since our FALL 2014 edition was published in August 2014:

- California amended its program to award \$330 million per fiscal year, allow up to \$100 million of costs to qualify for features and TV series, and allow pilots and one hour TV series made for any distribution outlet to qualify;
- Croatia changed the sunset date from December 31, 2020 to December 31, 2019;
- France increased the per project tax credit cap from €10 million to €20 million (approximately USD \$23 million) and changed the minimum spend to €1 million in qualifying expenditures or for global budgets below €2 million, incur eligible expenses equal to 50% or more of such budget;
- Germany established a funding cap of €50 million (approximately USD \$57 million) for the calendar year 2015;
- Hungary increased the rebate percentage from 20% to 25%;
- Massachusetts decreased the loan out withholding rate from 5.20% to 5.15%;
- Michigan streamlined the rebate program by awarding 25% on all qualifying spend and labor, removing the \$2 million salary cap, and extending the sunset date to December 26, 2021;
- Nevada changed from a funding cap of \$20 million per calendar year to only \$10 million being available through December 31, 2017;
- North Carolina's tax credit program ended on December 31, 2014 and was replaced by a rebate of up to 25% of qualified expenditures, a \$5 million per project rebate cap, and \$10 million of funding;
- Nova Scotia extended the sunset date through December 31, 2020;
- Pennsylvania clarified that withholding is not required on payments made to a loan out company;
- South Africa modified its tax rebate program to establish a per project rebate cap of R 50 million (approximately USD \$4.3 million) and reduce the postproduction only rebate percentage from a maximum of 25% to 20%; and,
- South Korea established a funding cap of KRW 1 billion (approximately USD \$1 million) for the calendar year 2015.

Cast & Crew is continually adding new international jurisdictions to the TIP Guide. In addition to the international jurisdictions previously in the guide, this edition includes a summary of the incentive programs for: Colombia, Italy, and Mexico.

Production incentives play an important role in determining the location where motion pictures and television productions are produced. Cast & Crew's Production Incentives Department, led by Joe Bessacini, has long-standing relationships with individuals in local film commissions and taxation/revenue departments. We are here to keep our clients informed of the ever-changing rules and requirements so they can maximize the cost savings on their productions.

This guide will familiarize you with domestic and international production incentives. For up-to-date detailed information regarding a specific incentive, contact Joe Bessacini directly at (818) 480-4427 or via email at joe.bessacini@castandcrew.com. You can also find our Multi-Jurisdiction Comparison Tool at www.castandcrew.com, where you can compare up to six jurisdictions side-by-side. Our website is always up-to-date.

Share your experience in the jurisdiction in which you are working. Your on-the-ground experience is invaluable to us!

Cast & Crew is a leading provider of payroll services to major studios, top producers and production companies within the entertainment industry.

Cast & Crew offers its comprehensive PSL suite of production accounting software and provides payroll services to the motion picture, television, and commercial industries. We currently have fully staffed offices in Albuquerque, Atlanta, Baton Rouge, Burbank, Detroit, London, New Orleans, New York, Toronto, Vancouver, and Wilmington.

Cast & Crew was the first in our field to provide 24/7 live support, as well as electronic interfacing of payroll data with our proprietary software. We've built long-lasting client relationships based on mutual reliance, integrity, and trust.

WHICH INCENTIVE IS BEST?

Assuming the script lends itself to numerous locations, the answer will vary depending on the specifics of the particular project. Some jurisdictions limit or cap the amount of eligible salary for each individual or only allow the salary of residents to qualify. If the project is running up against a salary cap, an alternative jurisdiction without a salary cap may yield a better result for the project, even if the incentive percentage is smaller.

The depth of the qualified crew base will also have an impact on the project's budget. If the crew base in the jurisdiction cannot support more than one project at a time, the project will most likely incur additional transportation and per diem costs to bring in the required crew. These costs will increase the budget and, depending on the jurisdiction, may or may not be considered qualified costs for the incentive.

When comparing a jurisdiction with a refundable tax credit or rebate to a jurisdiction with a transferable tax credit, it is imperative that the budget allow for the discounted value of the transferable credit, as well as the cost to transfer the credit. Some credits, like Puerto Rico's, may be sold for a higher dollar value during March and April. The economics of supply and demand apply to production incentive tax credits too!

Most importantly, you need to stay current with production incentives. A jurisdiction with a new incentive program may offer a more lucrative incentive to attract business, while last year's front runner may have put a cap on their program.

TYPES OF INCENTIVES

Aside from sales tax exemptions/refunds and hotel tax relief, there are basically two types of motion picture production incentives: rebates or grants, and tax credits.

REBATES OR GRANTS

Rebate programs, sometimes referred to as grants, operate in a similar manner, that is, they both return a cash payment to the eligible production company after all of the requirements of the program have been met. This type of incentive is not tied to filing an income tax return. Rebates or grant programs are offered in

the following jurisdictions: **Alberta (Canada), Arkansas, Colorado, Colombia, Croatia, Czech Republic, District of Columbia, Germany, Hungary, Iceland, Idaho (not currently funded), Jefferson Parish (Louisiana), Maine, Malaysia, Mexico, Miami Beach (Florida), Michigan, Minnesota, Mississippi, Montana, New Zealand, North Carolina, Oklahoma, Oregon, San Antonio (Texas), San Francisco (California), Santa Barbara (California), Santa Clarita (California), Sarasota County (Florida), Shreveport (Louisiana), South Africa, South Carolina, South Korea, Tennessee, Texas, Virginia, Washington, Wyoming and Yukon (Canada).**

TAX CREDITS

Tax credit programs provide the production company with one of several different types of tax credits or a combination thereof: refundable/nonrefundable, and/or transferable/nontransferable.

Refundable – If the jurisdiction offers a refundable tax credit, as do the incentive programs in **Alabama, Australia, Canada (Federal), British Columbia (Canada), France, Hawaii, Kentucky, Louisiana, Manitoba (Canada), Maryland, Massachusetts, Montana, New Mexico, Newfoundland & Labrador (Canada), New York, Nova Scotia (Canada), Ohio, Ontario (Canada), Québec (Canada), United Kingdom, Utah and Virginia**, the production company must generally file the appropriate tax return claiming the tax credit and, to the extent

the production tax credit exceeds the company's tax liability, a refund will be issued. Generally, states offering a refundable tax credit do not allow the credit to be transferred. However, Louisiana and Massachusetts do allow the tax credits to be sold back to the state at 85 and 90 cents on the dollar, respectively.

Nonrefundable - The following jurisdictions offer nonrefundable tax credits: **Alaska, California, Connecticut, Dominican Republic, Florida, Georgia, Illinois, Italy, Maine, Nevada, New Jersey, Pennsylvania, Puerto Rico, Rhode Island and West Virginia.** In order to monetize a nonrefundable tax credit, the production company must either: (1) have the ability to transfer/sell/assign the credit to a taxpayer that has a tax liability in that jurisdiction or (2) apply the credit against its existing tax liability, if any, in that jurisdiction. With the exception of California, Italy, and Maine, all nonrefundable tax credit jurisdictions allow the credits to be sold, transferred or assigned.

Transferable - Generally, transferable credits may be sold, assigned, or transferred to a taxpayer or group of taxpayers that have a tax liability in the jurisdiction. Some jurisdictions allow unlimited transfers to multiple transferees, while others may restrict the number of transfers and the number of transferees that may participate in the transfer. In all cases, a transfer does not extend the carry forward period in which the credit must be used.

QUALIFYING PRODUCTIONS

Each jurisdiction defines the type of production which will qualify for the incentive. Generally, the following types of productions DO qualify for production incentives: motion pictures, series, pilots, TV mini-series, movies for television, and documentaries. Some jurisdictions also treat commercials, game shows, infomercials, interactive entertainment, music videos, reality shows, and talk shows as qualifying productions. The following types of productions, generally, DO NOT qualify for production incentives: any ongoing television program created primarily as news, weather, or financial market reports; a production featuring current events; sporting events; an awards show or other gala presentation; a production whose sole purpose is fundraising; and, obscene material or performances. Please see Projects-At-A-Glance for a list of qualifying projects for each jurisdiction. PRIOR to incurring any expense, check with the local film commission to determine if your project will qualify.

QUALIFYING EXPENDITURES

Generally, if incurred within a jurisdiction offering an incentive, expenditures related to the following categories will qualify: set construction and operation; wardrobes, make-up, accessories, and related services; photography and sound synchronization; lighting and related services and materials; editing and related services and materials; rental of facilities and equipment; leasing of vehicles;

food and lodging; digital or tape editing, film processing, transfer of film to tape or digital format, sound mixing, computer graphics services; special and visual effects; airfare, if purchased through an in-state based travel agency or travel company; insurance and bonding, if purchased through an in-state insurance company; and, other direct costs of producing the project in accordance with generally accepted entertainment industry practices. Generally, expenditures for marketing and distribution do not qualify; however, these costs do qualify in some jurisdictions.

Travel - Each jurisdiction handles travel costs differently. Generally, travel purchased through an in-state broker will qualify; however, the qualifying amount of travel costs may vary from jurisdiction-to-jurisdiction. Some may allow all travel costs as long as one leg of the trip originates or ends in that jurisdiction, while others may allow travel into but not out of that jurisdiction, still, others may only allow intra-state travel.

Insurance and Bonding Costs - Some jurisdictions do not consider these costs to be direct production expenditures and therefore, in those instances, the costs do not qualify. Most jurisdictions which consider these costs as qualified costs require the insurance to be purchased from an in-state broker.

Box Rental or Tool Allowance - Generally, if an inventory listing of the items being rented is provided, the payment will be reported as rental income on Form

1099. If an inventory list is not provided, the tool allowance is subject to income tax withholding and all employment taxes, and is reported in Box 1 of Form W-2. Some states require income tax withholding on box rentals in order for the expense to qualify.

Meal & Incidental Per Diems - Each year, the United States General Service Administration releases the new government per diem rates in effect beginning on October 31st. The dollar amount reflected in this table for each jurisdiction represents the nontaxable or "deemed substantiated" portion of the per diem. For any domestic city not specifically listed in the chart, the default amount for meals and incidentals is \$46 per day. The nontaxable per diems for domestic and foreign locations may be found at: www.gsa.gov. If the meal per diem paid is in excess of the government "deemed substantiated" amount, then the excess is subject to income tax withholding and all applicable employment taxes. This excess amount is reported in Box 1 and the nontaxable portion is reported in Box 12 of Form W-2. Each state defines qualifying costs with respect to per diems differently. Some states qualify only the portion that appears in Box 1 as taxable wages.

Always check the legislation, regulations, rules, guidelines, or frequently asked questions pertaining to each jurisdiction for the most up-to-date information.

PROJECTS AT-A-GLANCE: UNITED STATES

| STATE | ANIMATION | AWARD SHOWS | COMMERCIALS | DOCUMENTARIES | GAME SHOWS | INDUSTRY/ CORPORATE TRAINING | INFOMERCIALS | INTERACTIVE MEDIA & VIDEO GAMES | INTERACTIVE WEBSITE | INTERNET BROADCASTS | INTERSTITIALS | MUSIC VIDEOS | NEWS | REALITY SHOWS | SPORTING EVENTS | TALK SHOWS | TRAILERS | VISUAL EFFECTS | WEBISODES |
|----------------------|-----------|-------------|-------------|---------------|------------|------------------------------------|--------------|---------------------------------------|------------------------|------------------------|---------------|-----------------|------|------------------|--------------------|------------|----------|-------------------|-----------|
| Alabama | Yes | No | Yes | Yes | Yes | No | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | No | Yes | (3) | (3) | Yes |
| Alaska | (1) | (1) | (2) | Yes | Yes | No | No | No | No | (1) | No | Yes | No | Yes | No | (1) | (1)(3) | (1)(3) | (1) |
| Arkansas | Yes | No | Yes | Yes | (1) | No | No | Yes | No | No | No | Yes | No | Yes | No | Yes | Yes | Yes | Yes |
| California | No | No | No | No | No | No | No | No | No | Yes | No | No | No | No | No | No | No | (3) | Yes |
| San Francisco | No | No | No | Yes | No | No | No | No | No | No | No | No | No | Yes | No | No | No | (1) | No |
| Santa Barbara | Yes | Yes | Yes | Yes | Yes | No | No | Yes | No | (1) | No | Yes | No | Yes | No | Yes | Yes | Yes | Yes |
| Santa Clarita | No | No | Yes | No | No | No | No | No | No | No | No | Yes | No | No | No | No | No | No | No |
| Colorado | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No | Yes | Yes | Yes | Yes |
| Connecticut | Yes | No | Yes | Yes | Yes | No | No | Yes | Yes | (1) | Yes | Yes | No | Yes | No | Yes | Yes | Yes | Yes |
| District of Columbia | (1) | (1) | Yes | Yes | (1) | (1) | No | (1) | (1) | (1) | (1) | (1) | No | (1) | No | (1) | (1) | (1) | (1) |

(1) Case-by-case; contact the film office to evaluate project criteria (2) Qualifies if produced for national distribution (3) Qualifies only if in conjunction with a film shot in-state (4) May qualify for Interactive credit (5) Qualifies if produced for theatrical distribution or broadcast (6) Qualifies under the commercial production tax credit program.

PROJECTS AT-A-GLANCE: UNITED STATES

| STATE | ANIMATION | AWARD SHOWS | COMMERCIALS | DOCUMENTARIES | GAME SHOWS | INDUSTRY/ CORPORATE TRAINING | INFOMERCIALS | INTERACTIVE MEDIA & VIDEO GAMES | INTERACTIVE WEBSITE | INTERNET BROADCASTS | INTERSTITIALS | MUSIC VIDEOS | NEWS | REALITY SHOWS | SPORTING EVENTS | TALK SHOWS | TRAILERS | VISUAL EFFECTS | WEBISODES |
|------------------|-----------|-------------|-------------|---------------|------------|------------------------------------|--------------|---------------------------------------|------------------------|------------------------|---------------|-----------------|------|------------------|--------------------|------------|----------|-------------------|-----------|
| Florida | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | No | Yes | No | Yes | No | (2) | No | Yes | Yes |
| Miami Beach | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Sarasota County | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Georgia | Yes | Yes | Yes | Yes | Yes | No | No | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No | (3) | Yes |
| Hawaii | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes | No | Yes | No | Yes | No | Yes | No | (2) | (3) | (3) | Yes |
| Idaho | Yes | No | Yes | Yes | No | No | No | Yes | No | No | No | Yes | No | Yes | No | No | No | (1) | (1) |
| Illinois | Yes | No | Yes | Yes | No | No | (1) | No | (1) | (1) | (1) | Yes | No | Yes | No | No | (3) | (3) | Yes |
| Kentucky | Yes | No | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | No | Yes | No | Yes | No | Yes | (3) | (3) | Yes |
| Louisiana | Yes | Yes | Yes | Yes | Yes | (2) | Yes | (4) | (4) | Yes | No | Yes | No | Yes | No | Yes | (3) | Yes | Yes |
| Jefferson Parish | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) |
| Shreveport | Yes | Yes | Yes | Yes | Yes | No | Yes | No | No | No | No | Yes | No | Yes | No | Yes | No | No | No |

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|---------------|-----------|-------------|-------------|---------------|------------|------------------------------------|--------------|---------------------------------------|------------------------|------------------------|---------------|-----------------|------|------------------|--------------------|------------|----------|-------------------|-----------|
| Maine | Yes | No | Yes | Yes | No | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | No | No | Yes | Yes | Yes |
| Maryland | Yes | No | Yes | Yes | No | Yes | Yes | No | No | No | No | Yes | No | No | No | No | (3) | (3) | No |
| Massachusetts | Yes | No | Yes | Yes | No | No | No | No | No | No | (3) | (5) | No | (5) | No | No | No | (3) | No |
| Michigan | Yes | No | No | Yes | Yes | No | No | Yes | Yes | Yes | Yes | Yes | No | Yes | No | Yes | Yes | Yes | Yes |
| Minnesota | Yes | No | Yes | Yes | No | No | No | No | No | Yes | No | Yes | No | (1) | No | No | No | (1) | Yes |
| Mississippi | Yes | Yes | (2) | Yes | Yes | (1) | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | No | Yes | Yes | (3) | Yes |
| Montana | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes | Yes | No | Yes | No | Yes | (3) | (3) | Yes |
| Nevada | Yes | No | Yes | Yes | Yes | No | Yes | Yes | No | Yes | Yes | Yes | No | Yes | No | Yes | Yes | Yes | Yes |
| New Jersey | Yes | Yes | No | Yes | No | No | No | Yes | Yes | No | No | No | No | Yes | No | No | No | (3) | Yes |
| New Mexico | Yes | No | Yes | Yes | Yes | (1)/No | Yes | Yes | (1) | No | (1) | Yes | No | Yes | (1) | Yes | No | Yes | Yes |

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|--------------------|-----------|-------------|-------------|---------------|------------|------------------------------------|--------------|---------------------------------------|------------------------|------------------------|---------------|-----------------|------|------------------|--------------------|------------|----------|-------------------|-----------|
| New York | (3) | No | (6) | No | No | No | No | No | No | No | No | No | No | No | No | (1) | No | (3) | No |
| North Carolina | Yes | No | Yes | Yes | No | Yes | Yes | No | No | Yes | Yes | Yes | No | Yes | No | No | Yes | Yes | Yes |
| Ohio | Yes | No | Yes | Yes | No | Yes | Yes | Yes | Yes | (1) | Yes | Yes | No | Yes | No | No | Yes | Yes | Yes |
| Oklahoma | Yes | No | (2) | Yes | No | No | No | No | No | No | Yes | Yes | No | Yes | No | (2) | (3) | (3) | No |
| Oregon 20% (OPIF) | Yes | No | No | Yes | No | No | No | (1) | (1) | (1) | (1) | Yes | No | Yes | No | No | No | (1)(3) | Yes |
| Oregon 6.2% (GOLR) | Yes | No | Yes | Yes | No | Yes | Yes | No | No | No | No | Yes | No | Yes | No | Yes | No | (3) | Yes |
| Pennsylvania | Yes | No | Yes | Yes | Yes | No | No | No | No | No | No | No | No | Yes | No | Yes | No | Yes | No |
| Puerto Rico | Yes | Yes | Yes | Yes | Yes | No | No | Yes | No | (1) | No | Yes | Yes | Yes | (1) | Yes | (3) | (3) | Yes |
| Rhode Island | Yes | Yes | Yes | Yes | Yes | (1) | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | No | Yes | Yes | Yes | Yes |
| South Carolina | No | No | Yes | No | No | No | No | No | No | No | No | Yes | No | No | No | No | (3) | (3) | No |

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|---------------|-----------|-------------|-------------|---------------|------------|------------------------------------|--------------|---------------------------------------|------------------------|------------------------|---------------|-----------------|------|------------------|--------------------|------------|----------|-------------------|-----------|
| Tennessee | No | No | (2) | No | No | No | No | No | No | No | No | No | No | No | No | No | (3) | (3) | No |
| Texas | Yes | (2) | Yes | Yes | (2) | Yes | Yes | Yes | No | (1) | Yes | Yes | No | (2) | No | (2) | Yes | Yes | Yes |
| San Antonio | Yes | No | No | Yes | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Utah | Yes | No | No | Yes | (1) | Yes | Yes | Yes | Yes | Yes | No | Yes | No | Yes | No | No | Yes | (3) | Yes |
| Virginia | Yes | No | Yes | Yes | No | No | No | Yes | No | Yes | No | Yes | No | No | No | No | No | Yes | Yes |
| Washington | No | No | Yes | (1) | No | No | No | No | No | Yes | No | No | No | (1) | No | No | Yes | (3) | Yes |
| West Virginia | Yes | No | Yes | Yes | No | Yes | No | No | No | (1) | No | Yes | No | Yes | No | No | No | (1) | (1) |
| Wyoming | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

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INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-------------------|---|-------------------|---|---------------------------|---|-------------------------------------|---|---------------------------------------|-----------|-------------|---------------------|
| Alabama | 25% Spend & NR Labor 35% Resident Labor | Tax Credit | Yes/No/No | No Cap* | \$500k | \$20M Per Fiscal Year (10/1 - 9/30) | Each Resident & Nonresident | No/Yes | Yes | None | H 69 H 243 |
| Alaska | 30% +20% Resident Labor + 6% Rural + 2% Seasonal | Tax Credit | No/Yes/6yr | No Cap | \$75k | \$200M Thru 12/31/2018 | Each Resident & Nonresident* | No/Yes | Yes | 12/31/18 | S 23 H 306 |
| Arkansas | 20% +10% BTL Resident Labor | Rebate | Yes/No/No | No Cap | \$200k* \$50k* | No Cap | 1 st \$500k of Each Resident & Nonresident Subject to AR Tax | No/No | Yes | 6/30/19 | H 1939 H 1633 |
| California | 20% or 25%* + 5%* | Tax Credit | No/Yes*/5yr | No Cap | \$1M Feat/TV \$500k MOW/ Miniseries | \$330M Per Fiscal Year (7/1 - 6/30) | Each BTL Resident & BTL Nonresident | No/No | Yes | 6/30/20 | AB 1839 |
| San Francisco, CA | Payroll Tax Expense & All City Costs | Rebate | Yes/No/No | \$600k | \$0 | \$3M 6/30/2015 | Each Resident & Nonresident | No/No | No | 6/30/15 | 268-13 |

*See state detail page for further explanation.

INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|----------------------|--|-------------------|---|---------------------------|-----------------------|------------------------------------|---|---------------------------------------|-----------|-------------|-----------------------------------|
| Santa Barbara, CA | 100% of Permit Fees 50% of CHP Cost | Rebate | Yes/No/No | \$2.5k | 50 - 200 room nights* | \$50k Per Fiscal Year (7/1 - 6/30) | NA | No/No | No | None | NA |
| Santa Clarita, CA | Film Permit Fee & Hotel Occupancy Tax | Refund | Yes/No/No | No Cap | \$0 | \$50k Per Fiscal Year (7/1 - 6/30) | NA | No/No | No | 6/30/15 | NA |
| Colorado | 20% | Rebate | Yes/No/No | No Cap | \$100k or \$1M* | \$5M 6/30/2015 | 1 st \$1M of Each Resident & Nonresident | No/Yes | Yes | None | H 1286 H 1336 |
| Connecticut | 10%* 15%* 30%* | Tax Credit | No/Yes*/3yr | No Cap | \$100k | No Cap | Each Resident & Nonresident* | No/Yes | Yes | None | 10-107 11-61 11-6 13-184 |
| District of Columbia | 21%* 30% BTL Labor* 42%* | Rebate | Yes/No/No | No Cap | \$250k | \$4M Until Expended | Each BTL Resident & BTL Nonresident | No/No | No | None | B18-583 B19-743 B20-199 |

*See state detail page for further explanation.

INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---------------------|--|-------------------|---|------------------------------------|--|-----------------------------|---|---------------------------------------|-----------|-------------|---------------------------|
| Florida | 20% - 30% | Tax Credit | No/Yes/5yr | \$8M Film \$500k Comm/ Music | \$625k TH/TV \$100k Indie* \$500k Comm/ Music | \$296M Thru 6/30/2016 | 1 st \$400k of Each Resident | No/No | Yes | 6/30/16 | S 1752 H 143 H 7087 |
| Miami Beach, FL | 25% of Actual Budget For Prod. Days In Miami Beach | Rebate | Yes/No/No | \$30k | \$120k* | No Cap | NA | No/No | Yes | None* | NA |
| Sarasota County, FL | 100% Sarasota County Gov't Fees & Up to 20% Spend | Rebate | Yes/No/No | \$25k* | \$1k | \$250k* | Each Resident | No/No | No | None | NA |
| Georgia | 20% +10% Promo* | Tax Credit | No/Yes/5yr | No Cap | \$500k | No Cap | 1 st \$500k of Each Resident & Nonresident on W-2* | Yes 6%/Yes | No* | None | H 1027 H 958 |
| Hawaii | 20% or 25%* | Tax Credit | Yes/No/No | \$15M | \$200k | No Cap | Each Resident & Nonresident Subject to HI Tax | No/Yes | No | 12/31/18 | H 726 |

*See state detail page for further explanation.

INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|----------------------|-----------------------------|-------------------|---|---------------------------|---|---------------------------------|--|-----------------------------------|-----------|-------------|---------------------------|
| Idaho | 20% | Rebate | Yes/Yes/No | \$500k | \$200k | Program Is Not Currently Funded | Each BTL Resident & BTL Nonresident | No/No | No | 6/30/20 | H 592 H 498 |
| Illinois | 30% +15% Resident* | Tax Credit | No/Yes/5yr | No Cap | < 30 min > \$50k ≥ 30 min > \$100k | No Cap | 1 st \$100k of Each Resident | No/No | Yes | 5/6/21 | H 2482 S 398 S 1286 |
| Kentucky | 20% | Tax Credit | Yes/No/No | No Cap | \$500k Film/TV \$200k Comm \$50k Docu | No Cap | All BTL & 1 st \$100k of Each ATL | No/No | No | None | H 3a H 445 |
| Louisiana | 30% + 5% Resident Labor* | Tax Credit | Yes*/Yes/10yr | No Cap | > \$300k | No Cap | Each Resident & Nonresident | No/No | Yes | None | 478 154 178 |
| Jefferson Parish, LA | 3% | Rebate | Yes/No/No | \$100k* | \$150k | \$1.5M Per Calendar Year | Each Resident | No/No | Yes | None | 110061 |

*See state detail page for further explanation.

INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|----------------|--------------------------|-------------------|---|---------------------------|---------------|--------------------------------------|---|-----------------------------------|-----------|-------------|-------------------------------------|
| Shreveport, LA | 2.5%* | Sales Tax Rebate | Yes/No/No | \$150k* | \$300k | No Cap | NA | NA/NA | Yes | None | 86 of 2009 |
| | 1.5%* | | Yes/No/No | \$20k* | \$75k | No Cap | NA | NA/NA | Yes | None | 4893 of 2009 |
| Maine | 10% or 12% Wage* | Rebate | Yes/No/No | No Cap | \$75k | No Cap | 1 st \$50k of Each Resident & Nonresident NA | No/No | No | None | H 1005 |
| | 5% Spend | Tax Credit | No/No/No | No Cap | \$75k | No Cap | | | | | |
| Maryland | 25% or 27%* | Tax Credit | Yes/No/No | No Cap | > \$500k | \$7.5M 6/30/2015 \$7.5M 6/30/2016 | Each Resident & Nonresident Earning ≤ \$500k | No/No | Yes | 6/30/16 | S 183 |
| Massachusetts | 25% Payroll 25% Spend | Tax Credit | Yes*/Yes/5yr | No Cap | \$50k | No Cap | Each Resident & Nonresident* | Yes 5.15%/Yes | Yes | 12/31/22 | H 4252 H 4084 H 4904 |
| Michigan | 25%* | Rebate | Yes/No/No | No Cap | \$100k | \$50M 9/30/2015 | Each Resident & Nonresident | Yes 4.25%/Yes | Yes | 12/26/21 | S 1177 S 569 S 1103 H 5313 |

*See state detail page for further explanation.

INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-------------|---|-------------------------|---|---------------------------|---------------------------|--|--|---------------------------------------|---------------|--------------------------|------------------------------|
| Minnesota | 20% or 25%* | Rebate | Yes/No/No | \$5M | ≥ \$100k < \$1M ≥ \$1M | \$10M* | Each Resident & 1 st \$400k/\$500k of Each NR Performing Artist | No/No | Yes* | None | H 729 |
| Mississippi | 25% Local Spend & NR Labor 30% Resident Labor + 5% Veteran* | Rebate | Yes/No/No | \$10M | \$50k | \$20M Per Fiscal Year (7/1 - 6/30) | 1 st \$5M of Each Resident & Nonresident Subject to MS W/H | Yes 5%/Yes | No | 6/30/16* | S 2374 |
| Montana | 9% Spend 14% Resident Labor Up to 20% | Tax Credit Grant | Yes*/No/4yr Yes/No/No | No Cap No Cap | \$0 \$0 | No Cap \$1M* | 1 st \$50k of Each Resident * | No/Yes No/Yes | No Yes | 12/31/14* 6/30/16 | H 40 H 584 H 163 NA |
| Nevada | 15% - 19% Spend & Resident Labor* 12% NR Labor | Tax Credit | No/Yes/4yr | \$6M | \$500k | \$10M Thru 12/31/2017 | 1 st \$750k of Each Resident & Nonresident | No/No | Yes | 12/31/17 | S 165 S 1a |
| New Jersey | 20% | Tax Credit | No/Yes/7yr | No Cap | \$0 | \$10M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Subject to NJ Tax | No/Yes | Yes | 6/30/15 | S 2526 |

*See state detail page for further explanation.

INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|----------------|--|-------------------|---|---------------------------|--------------------------|-------------------------------------|--|---------------------------------------|-----------|-------------|--------------------------------------|
| New Mexico | 25% + 5% | Tax Credit | Yes*/No/No | No Cap | \$0 | \$50M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Performing Artist* | Yes 4.9%/No | Yes* | None | H 641 |
| New York | 30% or 35% | Tax Credit | Yes/No/No | No Cap | \$0 | \$420M Per Calendar Year | Each BTL Resident & BTL Nonresident | No/No | No | 12/31/19 | S 6060 A 9710 S 7244 S 2609 |
| | +10%* | Tax Credit | Yes/No/No | No Cap | \$500K | | BTL Labor | | | | |
| North Carolina | Up to 25%* | Rebate | Yes/No/No | \$5M Film or TV Series | \$5M Film \$250k per EPS | \$10M | 1 st \$1M of Each Resident & Nonresident | Yes 4%/No | Yes | 6/30/20 | S 744 |
| Ohio | 25% Local Spend & NR Labor 35% Resident Labor | Tax Credit | Yes/No/No | \$5M | > \$300k | \$40M For Biennium Ending 6/30/2015 | Each Resident & Nonresident | No/No | Yes | None | H 508 |
| Oklahoma | 35% + 2%* | Rebate | Yes/No/No | No Cap | \$50k* \$25k | \$5M Per Fiscal Year (7/1 - 6/30) | Each Resident & Above-the-Line Nonresident Loan Out* | No/Yes | Yes | 6/30/24 | S 318 S 623 H 2580 |

*See state detail page for further explanation.

INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|----------------|--|-------------------|---|-----------------------------|------------------------------------|--|--|---------------------------------------|-----------|-------------|------------------------|
| Oregon | 20% OPIF* 10% Wage + 6.2% GOLR* | Rebate | Yes/No/No | No Cap | \$1M \$1M | \$10M Per Fiscal Year (7/1 - 6/30) NA | Each Resident & Nonresident Earning < \$1M* | No/Yes | No* | 12/31/17 | H 2191 H 3367 |
| Pennsylvania | 25% + 5%* | Tax Credit | No/Yes/3yr | 20% of the Annual Cap | 60% of Budget Incurred in PA | \$60M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Subject to PA W/H* | No/Yes | Yes | None | S 97 H 761 H 465 |
| Puerto Rico | 40% Spend & Resident Labor | Tax Credit | No/Yes/Yes* | No Cap | \$100k | \$50M* Per Fiscal Year | Each Resident | No/No | Yes | 6/30/18 | 27 |
| | 20% NR Labor | Tax Credit | No/Yes/Yes* | No Cap | | No Cap | Each Nonresident | Yes 20%/No | | | |
| Rhode Island | 25% | Tax Credit | No/Yes/3yr | \$5M* | \$100k* | \$15M Per Calendar Year | Each Resident & Nonresident | No/Yes | Yes | 6/30/19 | H 7839 H 7323 |
| South Carolina | 30% Supplier 25% Resident Labor 20% NR Labor | Rebate | Yes/Yes/No | No Cap | \$1M | Yes* Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Earning < \$1M | Yes 2%/Yes | No | None | H 3152 S 163 |

*See state detail page for further explanation.

INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------------|---|-------------------------|---|---|---|--|---|---------------------------------------|----------------|----------------------|------------------------------------|
| Tennessee | 25% | Grant | Yes/No/No | No Cap | \$200k | \$2M* Per Fiscal Year (7/1 - 6/30) | 1 st \$250k of Each Resident | No/Yes | Yes | None | S 3513 H 3839 |
| Texas | 5% - 20%* + 2.5%* | Grant | Yes/No/No | No Cap | \$250k Film/TV \$100k Comm/ Video | \$95M For Biennium Ending 8/31/2015 | 1 st \$1M of Each Resident | No/No | Yes* | None | H 873 |
| San Antonio, TX | 2.5% | Rebate | Yes/No/No | No Cap | \$250k Film/TV | \$250k* Per Fiscal Year (10/1 - 9/30) | 1 st \$1M of Each Resident | No/No | No | None* | See Guidelines |
| Utah | 20% or 20% + 5% | Tax Credit | Yes/No/No | No Cap | ≥ \$200k \$1M* | \$6.79M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident* | No/Yes | Yes | None* | S 14 H 99 |
| Virginia | 15% or 20%* +10% or 20%* Discretionary* | Tax Credit Grant | Yes/No/No NA | At the Discretion of the Film Office | \$250k \$250k \$0 | \$6.5M Per Fiscal Year (7/1 - 6/30) \$4.8M* | 1 st \$1M of Each Resident & Nonresident | No/No No/No | Yes Yes | 12/31/18 None | H 861 H 460 S 1320 H 1301 |

*See state detail page for further explanation.

INCENTIVES AT-A-GLANCE: UNITED STATES

| STATE | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---------------|--|-------------------|---|---------------------------|---|---|---|---------------------------------------|-----------|-------------|-------------------------------|
| Washington | Up to 30% or 35%* Up to 15% BTL NR Labor* | Rebate | Yes/No/No | No Cap | \$500k Feat \$300k Per TV EPS \$150k Comm | \$3.5M Per Calendar Year | Each Resident & BTL Nonresident* | No/No | No | 6/30/17 | S 5539 |
| West Virginia | 27% + 4%* | Tax Credit | No/Yes/2yr | No Cap | \$25k | \$5M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Subject to WV Tax | No/Yes | Yes | None | S 610 H 2514 |
| Wyoming | 12% - 15% | Rebate | Yes/No/No | No Cap | \$200k | \$900k For Biennium Ending 6/30/2016 | Each Resident | No/No | No | 6/30/16 | S 41 H 71 H 45 H 127 |

*See state detail page for further explanation.

INFORMATION AT-A-GLANCE: UNITED STATES

| STATE | SALES & USE TAX | | HOTEL TAX | | PERMIT FEE INFORMATION | LOCATION FEE INFORMATION |
|------------|---|--|---|--|--|--|
| | EXEMPTION | LEGISLATION | EXEMPTION | LEGISLATION | | |
| California | A partial exemption of 5.5% from state sales tax is available for purchase or lease of teleproduction and post production equipment used primarily in production or other post production services. | §6010.6; §6378; Reg: §1532 | The state does not impose a hotel tax, however, cities and/or counties may impose a transient occupancy tax if the stay is for less than 30 consecutive days. | §7280 | Permits for filming on state properties are free. Various cities and counties have permit exemptions/rebates. Visit www.film.ca.gov for more information. | There are no location fees for filming on state owned property. Various cities and counties offer free use of city or county owned locations. Visit www.film.ca.gov for more information. |
| Florida | An exemption from state sales tax is available (by application) for certain materials and equipment purchased or leased for use by a qualified production company. | Chapters: 212.08(5)f; 288.1258(1); 212.06(1); 212.031(1)(a)9 Rules: 12A-1.043(2); 12A-1.085 | An exemption from state sales tax is available from day one if a binding contract for more than six months is in place. If such a contract is not in place, the first six months of consecutive occupancy are subject to tax and the consecutive days thereafter are exempt. | Chapters: 212.03(1)a; 212.03(4) Rules: 12A-1.061(2)b; 12A-1.061(16), (17) | Permit fees vary by jurisdiction. Contact the state film office for more information. | Location fees vary by location. Contact the state film office for more information. |
| Georgia | There are no exemptions from sales and use tax for motion picture production at this time. | NA | An exemption from state sales tax is available for lodging of 90 or more consecutive days. Once the stay reaches 90 consecutive days, any taxes paid from day one may be refunded. If a binding contract for 90 or more consecutive days is in place, no tax is required to be collected from day one. An exemption is available from local tax if the stay is for 30 or more consecutive days. The exemption begins on the 31st day. | O.C.G.A: §48-8-2(31)(B); §48-13-51(h)(4) Reg: §560-12-2-.51 | Most permits are issued at the municipality level. Visit the "Camera Ready" program at www.georgia.org/FMDE for a list of local contacts. | Location fees vary by location. Contact the state film office for more information. |

INFORMATION AT-A-GLANCE: UNITED STATES

| STATE | SALES & USE TAX | | HOTEL TAX | | PERMIT FEE INFORMATION | LOCATION FEE INFORMATION |
|-----------|--|-------------|---|---|---|---|
| | EXEMPTION | LEGISLATION | EXEMPTION | LEGISLATION | | |
| Hawaii | There are no exemptions from sales and use tax for motion picture production at this time. | NA | An exemption from transient accommodations tax (TAT) is available from day one if there is a binding contract for 180 or more consecutive days. If such a contract is not in place the TAT is applicable from day one even if the stay exceeds 180 consecutive days. | §237D-15 Reg: 18-237D-15-01 | Permits are required for all filming activity. Visit filmoffice.hawaii.gov for more information. | No location fees for filming on most state owned property. Visit filmoffice.hawaii.gov for more information. |
| Illinois | There are no exemptions from sales and use tax for motion picture production at this time. | NA | An exemption from state and local hotel tax is available from day one if a binding contract for 30 or more consecutive days of lodging is in place. If such a contract is not in place, the operator must collect tax from day one. The operator may refund all taxes paid once the stay reaches 30 consecutive days. | 35 ILCS 145/2(5); 35 ILCS 145/9; 55 ILCS 5/5-1030; 70 ILCS 210/13(c); 86 ILAC 480.101 | Permits are issued at the municipality level. Contact the state film office to obtain contact information for municipalities. | Location fees vary by location. Contact the state film office for more information. |
| Louisiana | There are no exemptions from sales and use tax for motion picture production at this time. | NA | There are no exemptions from state hotel tax at this time. | NA | There are no state fees or permits for filming in Louisiana. | Locations fees for filming on state owned property are assessed on a case-by-case basis and are often waived. Contact the state film office for more information. |

INFORMATION AT-A-GLANCE: UNITED STATES

| STATE | SALES & USE TAX | | HOTEL TAX | | PERMIT FEE INFORMATION | LOCATION FEE INFORMATION |
|---------------|---|--|---|---|--|---|
| | EXEMPTION | LEGISLATION | EXEMPTION | LEGISLATION | | |
| Massachusetts | An exemption from state sales tax is available for purchases of tangible personal property by a qualified motion picture production company if such company incurs at least \$50,000 within a 12-month period on the production of one or more motion pictures. (There are no local sales taxes.) | M.G.L. c. 64H §6(ww) See TIR 07-15. | An exemption from state and local room occupancy excise tax is available from day one if a binding contract states the occupancy will exceed 90 consecutive days is in place. If such a contract is not in place, the first 90 consecutive days are subject to tax and the consecutive days thereafter are exempt. An operator may refund all taxes paid once the stay exceeds 90 consecutive days. | M.G.L. c.: 64G §1(g); 64G §3A; 830 CMR: 64G.1.1 64G.3A.1(2)(f) | The permit process varies by local jurisdiction. Contact the state film office to obtain contact information for local jurisdictions. | Location fees vary by location. Contact the state film office for filming on state owned property or for contact information for local jurisdictions. |
| Michigan | There are no exemptions from sales and use tax for motion picture production at this time. | NA | An exemption from state sales tax is available if lodging is for more than 30 consecutive days. If a binding contract stating the occupancy will exceed 30 consecutive days is in place, no tax is required to be collected. If such a contract is not in place, the operator must collect tax from day one. The operator may refund all taxes paid if the stay exceeds 30 consecutive days. | §205.93a(1)(b); Reg: 205.88(2)(a) | Permit fees vary by jurisdiction and municipalities have local permitting processes. Contact the state film office for more information. | There are no location fees for filming on state owned property. |
| New Mexico | Productions may provide vendors with a Nontaxable Transaction Certificate (NTTC) for certain purchases/rentals; however, any costs for which the production provided an NTTC are not eligible for the film production tax credit. | NMSA: §7-9-86; §7-2F-1.L | There is no state occupancy tax. Local municipalities have the authority to implement an occupancy tax and an exemption may be available on that tax if the occupancy if for more than 30 consecutive days. Contact the municipalities for more information. | NMSA: §3-38-16 | Permit fees vary by jurisdiction. Contact the state film office for more information. | Location fees vary by location. Please contact the state film offices for more information. |

INFORMATION AT-A-GLANCE: UNITED STATES

| STATE | SALES & USE TAX | | HOTEL TAX | | PERMIT FEE INFORMATION | LOCATION FEE INFORMATION |
|----------------|--|---|---|---|---|--|
| | EXEMPTION | LEGISLATION | EXEMPTION | LEGISLATION | | |
| New York | An exemption from state and local sales tax is available for the purchase, lease or rental of tangible personal property and purchase of services to property used directly and predominantly in the production of film and utilities used directly and exclusively to operate equipment used in the production of a film. | Chapter 60: §1115(a)(39); §1115(bb) Reg: 528.13 528.22 | An exemption from state and local taxes (other than in NYC) is available if lodging is for 90 or more consecutive days. For stays in NYC, an exemption from state tax is available if lodging is for 90 or more consecutive days; an exemption from local tax is available if lodging is for 180 or more consecutive days. Tax will be charged until each threshold is met. Upon meeting the threshold, the hotel should issue a refund for all taxes previously paid. | Chapter 60: §1101(c)(5); §1105(e)(1) Reg: §527.9 | Permit fees vary by jurisdiction. Visit www.nylovesfilm.com for a list of regional film offices. | Location fees vary by location. Contact the state film office for more information. |
| North Carolina | There are no exemptions from sales and use tax for motion picture production at this time. | NA | An exemption from state and local taxes is available if lodging is for 90 or more consecutive days. Tax will be charged until the 90th day threshold is met. Upon meeting the threshold, the hotel should issue a refund for any taxes previously paid. | G.S. §105-164.4F(e)(2); §105-467(a)(1) | Permit fees vary by jurisdiction. Contact the state film office for more information. | There are no location fees for filming on state owned property. However, reimbursement of actual costs incurred and actual revenues lost by the state is required. G.S. §143-162.2 |
| Ohio | There are no exemptions from sales and use tax for motion picture production at this time. | NA | An exemption from state and local sales tax is available if lodging is for more than 30 consecutive days. If a binding contract is in place for an occupancy of more than 30 consecutive days, no tax is required to be collected from day one. If such a contract is not in place, an operator must collect tax from day one. The state (for state sales tax) or an operator (for state or local sales tax) will refund all taxes paid if the stay is for more than 30 consecutive days. | §5739.01(B) & (N), §307.695(A)(5) | Permit fees vary by jurisdiction and can be waived on a case-by-case basis. Contact the state film office for more information. | Location fees vary by location. Contact the state film office for more information. |

INFORMATION AT-A-GLANCE: UNITED STATES

| STATE | SALES & USE TAX | | HOTEL TAX | | PERMIT FEE INFORMATION | LOCATION FEE INFORMATION |
|--------------|---|--|--|---|---|--|
| | EXEMPTION | LEGISLATION | EXEMPTION | LEGISLATION | | |
| Pennsylvania | There are no exemptions from sales and use tax for motion picture production at this time. | NA | An exemption from state and local hotel tax is available if lodging is for 30 or more consecutive days. The hotel operator may refund all taxes paid if the stay reaches 30 consecutive days. | 53 Pa.C.S.: §8721(a)(1) 64 Pa.C.S.: §6025(j)(3) 61 Pa. Codes: §38.1(b), §38.2(a), §38.3 | Permit fees vary by jurisdiction. Contact the state film office for more information. | There are no location fees for filming on state owned property, however there may be permit fees and insurance requirements. |
| Texas | An exemption from state and local sales & use tax is available for the purchase, lease, rental, storage, use or consumption of certain tangible personal property or the purchase of services used directly in the production of a motion picture. Exemption from gasoline tax, in the form of a refund, is available for gasoline used in "off-highway" equipment. | §151.3185 34 TAC: §3.371(b) §162.125(c)(4) 34 TAC: §3.432 | Guests who notify the hotel in writing of their intention to stay 30 or more consecutive days will be exempt from state and local hotel tax as of the date of notification. If the stay is interrupted or the guest does not stay for at least 30 consecutive days, tax is owed from the first day. Guests who do not notify the hotel must pay the hotel tax for the first 30 days and thereafter will be exempt. | §156.101 §351.002(c) §352.002(c) 34 TAC: §3.161(b)(6) | Permit fees vary by jurisdiction. Contact the state film office for more information. | Location fees vary by location. For state owned property, contact Lindsey Ashley, Senior Production Consultant with the Texas Film Commission. For other locations, contact the local film office. |

ALABAMA

ALABAMA FILM OFFICE

401 Adams Avenue, Suite 170, Montgomery, AL 36104, www.alabamafilm.org

BRENDA HOBBIE, INCENTIVES COORDINATOR: 334-242-4195, brenda.hobbie@film.alabama.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---|-------------------|--|------------------------------|------------------|---|--------------------------------|--|------------------|--------------|----------------|---------------------------|
| 25% Spend & NR Labor 35% Resident Labor | Tax Credit | Yes/No/No | No Cap ⁽¹⁾ | \$500k | \$20M Per Fiscal Year (10/1 - 9/30) | Each Resident & Nonresident | No/Yes | Yes | Yes | None | H 69 H 243 |

⁽¹⁾ Only the first \$20 million of Alabama expenditures qualify for the incentive.

REQUIREMENTS: No later than 30 days PRIOR to the start of any activities in Alabama, submit an application to the film office along with a nonrefundable application fee of \$100; and, meet the minimum in-state spending requirement of at least \$500,000. **Loan out companies must be registered with the Secretary of State.**

QUALIFIED SPEND: Qualified spend includes: preproduction, production, and postproduction costs incurred in the state that are directly used in a certified production; all salaries, wages, and other compensation including, but not limited to, compensation and related benefits provided to resident and nonresident producers, directors, writers, actors, and other personnel involved in certified projects within the state. Marketing and distribution expenses do not qualify.

SUMMARY: This program is not administered on a first-come, first-served basis. The film office retains the sole discretion to determine which projects are selected and the

amount of incentives available to each selected project. **While there is not a per project incentive cap per se, Alabama only awards the incentive on the first \$20 million of qualifying production expenditures.** Subject to the \$20 million limitation, all qualified production expenditures including nonresident wages and benefits earn 25%, while wages and benefits for residents earn 35%. In order for payments made to a loan out company to qualify for the incentive, the loan out company must be registered with the Secretary of State to do business in Alabama. There is a state funding cap of \$20 million per fiscal year (Oct. 1 - Sept. 30). A certified production spending at least \$150,000 within a 12-month period may apply to be exempted from the state portion but not the local portion of sales, use, and lodging taxes. The sales tax exemption is not available on qualified expenditures in excess of the first \$20 million.

ALASKA

ALASKA FILM OFFICE/STATE OF ALASKA DEPARTMENT OF REVENUE
550 W. 7th Avenue, Suite 500, Anchorage, AK 99501, www.tax.alaska.gov/alaskafilmmoffice

KELLY MAZZEI, EXECUTIVE DIRECTOR: 907-269-1018, kelly.mazzei@alaska.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---|-------------------|--|------------------------------|------------------|------------------------------|---|--|------------------|--------------|----------------|---------------------------|
| 30% +20% Resident Labor + 6% Rural + 2% Seasonal | Tax Credit | No/Yes/6yr | No Cap | \$75k | \$200M Thru 12/31/2018 | Each Resident & Nonresident ⁽¹⁾ | No/Yes | Yes | Yes | 12/31/2018 | S 23 H 306 |

⁽¹⁾ Nonresident above-the-line labor earns a tax credit equal to the sum of 5% of nonresident above-the-line wages PLUS a dollar amount equal to 50% of resident labor and other defined costs. Essentially, the cost of resident labor is fully subsidized. Nonresident below-the-line labor earns 30%.

REQUIREMENTS: Submit an application along with a nonrefundable application fee equal to 0.2% of the estimated total qualified expenditures but not less than \$200 or more than \$5,000; receive qualification from the Alaska Film Office; secure an Alaska Business License; meet the minimum in-state spending requirement; and, complete the production within 36 months. **Loan out companies must be registered with the Secretary of State.**

QUALIFIED SPEND: Qualified spend includes: expenditures that are ordinary, reasonable, and not in excess of fair market value; expenditures made for real or tangible property; fees, services, or state or municipal taxes; and, all salaries, wages, compensation, and related benefits provided to above and below-the-line personnel for services performed in Alaska. **Fees charged for music use, intrastate travel, and payroll processing qualify if provided by an Alaskan business.** An Alaskan business is defined as a person or business entity that has a current Alaska business license, is qualified to do business in Alaska, and has maintained a business establishment within the state that has been staffed by a person for a period of six months preceding the date the goods or services were provided. If the

business entity is a sole proprietorship, partnership, or limited liability company, then the proprietor, all partners, or all members, respectively, must be residents of Alaska. Marketing and distribution expenses do not qualify.

SUMMARY: This program is administered on a first-come, first-served basis upon approval by the Alaska Film Incentive Review Commission. The program provides for a transferable tax credit equal to a minimum of 30% of qualified expenditures in Alaska. **In addition to the 30% base credit, the production company may earn an additional: 20% of the wages paid to Alaska residents; 6% of the expenditures made in a rural area** (a road accessible community with a population of 1,500 or less or a community with a population of 10,000 or less that is not connected by road or rail to Anchorage or Fairbanks); **and, 2% of the qualified expenditures made between October 1 and March 30.** The film office may withhold the award of a tax credit if the office determines that there are filed, but unresolved, legal actions in the state involving the producer or production. This incentive program is scheduled to sunset on December 31, 2018.

ARIZONA

PHOENIX FILM OFFICE

200 W. Washington St., 20th Floor, Phoenix, AZ 85003, www.filmphoenix.com

PHILIP BRADSTOCK, FILM COMMISSIONER: 602-262-4850, philip.bradstock@phoenix.gov

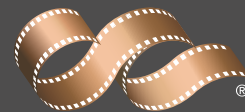
ARIZONA DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.



WE GIVE CREDIT BEFORE CREDIT IS DUE.

PRODUCTION INCENTIVE FINANCING AVAILABLE

Contact Deirdre Owens at 818-972-3201
or deirdre.owens@castandcrew.com



Cast & Crew
FINANCIAL SERVICES

ARKANSAS

ARKANSAS FILM COMMISSION

900 West Capitol Ave., Suite 400, Little Rock, AR 72201, www.arkansasproduction.com

CHRISTOPHER CRANE, COMMISSIONER: 501-682-7676, ccrane@arkansasedc.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------------------------------|-------------------|--|------------------------------|---|----------------|--|--|------------------|--------------|----------------|---------------------------|
| 20% +10% BTL Resident Labor | Rebate | Yes/No/No | No Cap | \$200k ⁽¹⁾ \$50k ⁽¹⁾ | No Cap | 1 st \$500k of Each Resident & Nonresident Subject to AR Tax | No/No | Yes | Yes | 6/30/2019 | H 1939 H 1633 |

⁽¹⁾ \$200,000 within a six-month period for the production rebate; \$50,000 within a six-month period for the postproduction rebate.

REQUIREMENTS: **PRIOR to beginning preproduction activities in Arkansas**, register with the film office and submit an application along with an estimate of expenditures; meet the minimum spending requirement of at least \$200,000 within a six-month period in connection with the production of one project or \$50,000 within a six-month period in connection with a postproduction only project; and, apply for a production or postproduction rebate certificate no later than 180 days after the last production expenses are incurred.

QUALIFIED SPEND: Qualified spend includes: costs incurred in Arkansas in the development, preproduction, production, or postproduction of a qualified production; the first \$500,000 of wages or salaries paid to each resident and nonresident that are subject to Arkansas income taxes; pension, health, and welfare contributions; and, stipends and living allowances. Payments for production and postproduction expenses are recommended

(but not required) to be made from the checking account of an Arkansas institution. **Cash payments to vendors may not exceed 40% of the total verifiable costs.**

SUMMARY: This program is administered on a first-come, first-served basis. An eligible production company may earn a 20% rebate on all qualified production expenditures in Arkansas. Salaries and wages paid to resident and nonresident above-the-line employees, as well as resident and nonresident below-the-line employees, will qualify for the 20% rebate. **An additional 10% may be earned on the payroll of below-the-line employees who are full-time Arkansas residents for a total rebate of 30% on such wages.** Below-the-line does not include directors and producers; however, for purposes of the additional 10%, resident actors and writers are defined as below-the-line. The incentive program is scheduled to sunset on June 30, 2019.

CALIFORNIA

CALIFORNIA FILM COMMISSION

7080 Hollywood Blvd., Suite 900, Los Angeles, CA 90028, www.film.ca.gov

AMY LEMISCH, DIRECTOR: 323-860-2960 ext. 110, incentiveprogram@film.ca.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--|-------------------|--|------------------------------|---|---|--|--|------------------|--------------|----------------|---------------------------|
| 20% or 25% ⁽¹⁾ + 5% ⁽¹⁾ | Tax Credit | No/Yes ⁽²⁾ /5yr | No Cap | \$1M Feat/TV \$500k MOW/ Miniseries | \$330M Per Fiscal Year (7/1 – 6/30) | Each BTL Resident & BTL Nonresident | No/No | Yes | Yes | 6/30/2020 | AB 1839 |

⁽¹⁾ 20% for a: feature film, Movie of the Week (MOW), miniseries, pilot, or one hour TV series (for any distribution outlet); 25% for an “independent film” or TV series that relocates to CA and filmed its prior season(s) outside of CA (reduces to 20% for subsequent seasons); plus 5% on specified expenses (see Summary section). ⁽²⁾ Only an “independent film” producer is authorized to transfer the tax credits to an unrelated party.

REQUIREMENTS: Submit an application with the required supporting documentation to the CFC; **begin principal photography after the date the application is approved** but no later than 180 days after the credit allocation letter date; complete the motion picture within 30 months from the date of approval; see that at least 75% of principal photography days occur wholly in California or 75% of the total production budget is for the purchase or rental of property used and services performed within the state; participate in a Career Readiness program; and, meet the minimum spending requirement.

QUALIFIED SPEND: Qualified spend includes: amounts paid to purchase or lease and use tangible personal property in CA; and, payments, including qualified wages, for services performed in CA. Qualified wages do not include amounts paid for writers, directors, music directors, music composers, music supervisors, producers, and performers other than extras with no scripted lines. **Any costs incurred PRIOR to the date of the credit allocation letter or more than 30 days after completion of the final element do not qualify for the incentive.** For a feature film/TV series or “independent film”, up to \$100 million or \$10 million, respectively, in qualified expenses are eligible for the tax credit.

SUMMARY: This program is not administered on a first-come, first-served basis. Projects are categorized and funding is allocated as follows: new TV series, pilots, MOWs, miniseries, and recurring TV series (40%); feature films (35%); relocating TV series (20%); and, “independent films” (5%). **Projects are ranked and approved within their specific category based on the “jobs ratio” formula** (total qualified wages paid divided by the tax credit amount, excluding the 5% uplift) and other criteria. At the completion of production, the tax credit awarded may be reduced if the jobs ratio decreases by more than 10%. A non-independent production may earn an additional 5% on expenses related to the following (up to a maximum tax credit of 25%): filming outside of the “Los Angeles” 30-mile zone, music scoring and music track recording performed in CA, and visual effects produced in CA if such visual effects work is at least 75% of the total visual effects budget or a minimum of \$10 million in qualified visual effects expenses are incurred in CA. The tax credits may be applied against income (including the minimum tax), sales, or use taxes. For the fiscal year ending June 30, 2016, \$100 million of the \$330 million in funding will be allocated based on the prior tax credit legislation and via the lottery system.

SAN FRANCISCO, CA

SAN FRANCISCO FILM COMMISSION

City Hall, Room 473, San Francisco, CA 94102, www.filmsf.org

SUSANNAH GREASON ROBBINS, EXECUTIVE DIRECTOR: 415-554-6241, film@sfgov.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ORDINANCE NUMBER |
|--------------------------------------|-------------------|--|------------------------------|------------------|----------------|-----------------------------|--|------------------|--------------|----------------|---------------------|
| Payroll Tax Expense & All City Costs | Rebate | Yes/No/No | \$600k | \$0 | \$3M 6/30/2015 | Each Resident & Nonresident | No/No | Yes | No | 6/30/2015 | 268-13 |

REQUIREMENTS: Submit an Initial Application to the Film Rebate Program at least 45 days but not more than one year PRIOR to the start of principal photography; apply for a Business License with the Office of the Treasurer and Tax Collector; locate the production office within the City and County of San Francisco; **film 55% of principal photography in San Francisco for productions with budgets less than \$3 million or film 65% of principal photography in San Francisco for productions with budgets of \$3 million or more**; and, submit a Final Application no more than 45 days after the completion of principal photography.

SUMMARY: This program is administered on a first-come, first-served basis. San Francisco offers a refund up to \$600,000 per feature film, documentary, or television episode on any

fees paid to the City. Such expenditures may include: the cost of up to four police officers per day for 12 hours each; all permit fees paid to the San Francisco Film Commission; street closure fees; rental fees for locations; production office and stage space owned by the City; and, the San Francisco Payroll Tax Expense. The San Francisco Payroll Tax Expense is an employer tax equal to 1.125% of all wages earned in San Francisco. **Upon meeting the filming requirements, a production may request a refund directly from the San Francisco Film Commission of all eligible City fees, including the San Francisco Payroll Tax Expense.** This incentive program is scheduled to sunset on June 30, 2015.

SANTA BARBARA, CA

SANTA BARBARA FILM COMMISSION

500 E. Montecito Street, Santa Barbara, CA 93103, www.filmsantabarbara.com

GEOFF ALEXANDER, FILM COMMISSIONER: 805-966-9222, geoff@filmsantabarbara.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--|-------------------|--|------------------------------|--|--|--------------------|--|------------------|--------------|----------------|---------------------------|
| 100% of Permit Fees 50% of CHP Cost | Rebate | Yes/No/No | \$2.5k | 50 - 200 room nights ⁽¹⁾ | \$50k Per Fiscal Year (7/1 - 6/30) | NA | No/No | No | No | None | NA |

⁽¹⁾ Minimum number of room nights by genre: 200 nights for feature films; 100 nights for scripted television and commercials; 50 nights for unscripted television and still photography.

REQUIREMENTS: House the crew at hotels located in "Incentive Zones" for the minimum number of room nights for the applicable genre (200 nights for feature films, 100 nights for scripted television and commercials, and 50 nights for unscripted television and still photography); commence and complete production activities between September 30 through May 31; and, submit an application after the production is completed.

QUALIFIED SPEND: Qualified spend includes: permit fees; and, **50% of the California Highway Patrol or police costs.**

SUMMARY: This program is administered on a first-come, first-served basis. The Santa Barbara County Media Production Incentives Program offers a rebate equal to 100% of

permit fees and 50% of California Highway Patrol or police costs. The following types of productions may qualify for the incentive: feature films, scripted television, unscripted television, commercials, and still photography. A production must house crew for the required minimum number of room nights at hotels located in an "Incentive Zone", which currently consists of Carpinteria, Goleta, Los Alamos, Montecito, Santa Barbara, Summerland, other South Coast areas, and the Santa Ynez Valley. The Film Commission will review applications to confirm the lodging threshold in an "Incentive Zone" has been met. **Currently, there are two separate "pots" of incentives, one provided for the South Coast Incentives Zones and one provided for the Santa Ynez Valley Incentives Zone.** Each pot will provide up to \$25,000 over the course of the fiscal year. This program has a per project rebate cap of \$2,500 and does not have a sunset date.

SANTA CLARITA, CA

SANTA CLARITA FILM OFFICE

23920 Valencia Blvd, Suite 100, Santa Clarita, CA 91355, www.filmsantaclarita.com

RUSSELL SYPOWICZ, FILM OFFICE ADMINISTRATOR: 661-284-1425, film@santa-clarita.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---|-------------------|--|------------------------------|------------------|--|--------------------|--|------------------|--------------|----------------|---------------------------|
| Film Permit Fee & Hotel Occupancy Tax | Refund | Yes/No/No | No Cap | \$0 | \$50k Per Fiscal Year (7/1 - 6/30) | NA | No/No | No | No | 6/30/2015 | NA |

REQUIREMENTS: **There are three options to qualify for the program:** (1) the production must be based at an approved location in Santa Clarita for a minimum of four consecutive weeks or be a recurring production that pulls four or more City of Santa Clarita film permits during the fiscal year July 1 - June 30 (eligible production genres under this option include: feature length films, episodic television series, television pilots, television movies/ miniseries, commercials, and music videos); (2) the production must be approved for the California Film & Television Tax Credit Program; or, (3) the production must purchase a minimum of five room nights within a calendar month at a hotel located within the City of Santa Clarita and film at an approved location in Santa Clarita.

QUALIFIED SPEND: Qualified spend includes: basic City of Santa Clarita film permit fee(s); hotel occupancy taxes; and, reduced costs of safety personnel.

SUMMARY: This program is administered on a first-come, first-served basis; however, productions currently based in the City of Santa Clarita will be given first priority. Under Options 1 and 2 above, the city will refund the basic film permit fee(s) incurred by productions. Under Option 3, the city will refund 50% of the Transient Occupancy Taxes, not to exceed five percent, collected within the City of Santa Clarita. **The City of Santa Clarita also offers its LA County Sheriff Deputies' contract rate to productions filming in the city which results in a savings of \$13 to \$20 per hour when compared to private entity rates.** The process of ordering and paying for LA County Sheriff Deputies is handled by the Santa Clarita Film Office as part of the permitting process. Santa Clarita consists of the following zip codes: 91321, 91350, 91351, 91354, 91355, 91381, 91382, 91383, 91384, 91387, 91390, and 93510. Subsidies will continue to be allocated until all funds are exhausted. This incentive program is scheduled to sunset on June 30, 2015.

COLORADO

COLORADO OFFICE OF FILM, TELEVISION AND MEDIA

1625 Broadway, Suite 2700 Denver, CO 80202, www.coloradofilm.org

DONALD ZUCKERMAN, DIRECTOR: 303-592-4075, donald.zuckerman@state.co.us

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------|-------------------|--|------------------------------|-------------------------------|----------------|---|--|------------------|--------------|----------------|---------------------------|
| 20% | Rebate | Yes/No/No | No Cap | \$100k or \$1M ⁽¹⁾ | \$5M 6/30/2015 | 1 st \$1M of Each Resident & Nonresident | No/Yes | Yes | Yes | None | H 1286 H 1336 |

⁽¹⁾ \$100,000 if the production company originates the production in Colorado; \$1 million if it originates outside of Colorado; \$250,000 for a TV commercial or video game production that originates outside of Colorado.

REQUIREMENTS: Apply PRIOR to beginning significant activities in Colorado; meet the minimum in-state spending requirement for preproduction, principal photography, or postproduction (see above); and, **see that 50% of the workforce (not including extras) is made up of Colorado residents.** Loan out companies must be registered with the Secretary of State.

QUALIFIED SPEND: Qualified spend includes: payments made to an in-state business, including payments for developing or purchasing the story and scenario; and, the first \$1 million of salaries for each resident or nonresident worker. **In order for any salary to be considered a qualified expenditure, all Colorado income taxes shall be withheld and paid by either the production company or the individual.** Payments to out-of-state vendors do not qualify.

SUMMARY: This program is not administered on a first-come, first-served basis. The film commission has the discretion to determine which projects are selected. Colorado provides a cash rebate of 20% on all local spend and the first \$1 million of wages for each

resident and nonresident. The minimum spend requirement is based on where the film originates. To originate in Colorado, the production company should be incorporated in Colorado or registered to do business in Colorado for at least 12 consecutive months. The incentive may be paid upon completion of the production and verification of the qualified expenditures by a Colorado CPA or the rebate can be escrowed upfront with the bond company to cash flow the production as money is spent in-state. **Colorado offers a loan guarantee program which allows the state to guarantee up to 20% of the entire production budget.** The loan guarantee program is only available to feature film productions. To be eligible for a loan guarantee, the production company must meet the following criteria: have the experience, professional qualifications, and business background that will give the production activities a reasonable chance of success; be bonded by a major bonding company; have contracted with a major sales company with experience and good standing in the film industry; the sales company must provide sales estimates that support full repayment of the loan to be guaranteed; and, the film and production activities must result in a positive reflection on the state. A loan guarantee facility fee calculated on the outstanding principal may be charged.

CONNECTICUT

OFFICE OF FILM, TELEVISION & DIGITAL MEDIA

505 Hudson Street, 4th Floor, Hartford, CT 06106, www.ctfilm.com

GEORGE NORFLEET, DIRECTOR: 860-270-8211, george.norfleet@ct.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | PUBLIC ACT NUMBER |
|--|-------------------|--|------------------------------|------------------|----------------|---|--|------------------|--------------|----------------|-----------------------------------|
| 10% ⁽¹⁾ 15% ⁽¹⁾ 30% ⁽¹⁾ | Tax Credit | No/Yes ⁽²⁾ /3yr | No Cap | \$100k | No Cap | Each Resident & Nonresident ⁽³⁾ | No/Yes | Yes | Yes | None | 10-107 11-61 11-6 13-184 |

⁽¹⁾ Total in-state production costs between: \$100,000 - \$500,000 earn 10%; \$500,001 - \$1 million earn 15%; and, greater than \$1 million earn 30%. ⁽²⁾ Credit may not be transferred more than three times. ⁽³⁾ "Star talent" is capped at \$20 million in the aggregate.

REQUIREMENTS: Register with the Secretary of State in Connecticut; submit an eligibility application along with a \$200 fee no later than 90 days after the first qualified production expense is incurred; meet the minimum in-state spending requirement of at least \$100,000; **conduct at least 50% of principal photography days or spend at least 50% of the film's postproduction costs or spend at least \$1 million in postproduction in Connecticut;** and, submit a tax credit voucher application, along with a fee equal to 1% of the anticipated credit but not more than \$5,000, no later than 90 days after the last qualified expenditure is incurred. Loan out companies must be registered with the Department of Revenue.

QUALIFIED SPEND: Compensation to "star talent" (paid to individuals or loan outs) is capped at \$20 million in the aggregate and must be subject to Connecticut personal income tax. Qualified spend includes costs incurred in the duplication of films, videos, CDs, and DVDs; however, costs incurred outside the state and used within Connecticut and costs related to the required audit do not qualify. **In order to qualify payments made to a loan out company, the production company must provide confirmation the loan out company filed Form REG-1 (Business Tax Registration Application).** Generally, this is

accomplished by the loan out company providing the production company with the letter from the Department of Revenue notifying the loan out company that the application was successfully processed.

SUMMARY: This program is administered on a first-come, first-served basis. The transferable tax credit ranges from 10% to 30% depending on the total amount of in-state production expenditures. **A production company may not transfer more than 25% of the credit in any year unless: (1) the production is created in whole or in part at a qualified production facility within the state or (2) the production company is organized as a "C" corporation and is subject to tax in Connecticut.** The state may seek recovery from any entity that committed fraud or misrepresentation in claiming the credit. For the 2015 fiscal year (July 1 - June 30), a tax credit voucher will not be issued for a motion picture production unless 25% or more of principal photography days occur in a Connecticut facility that received at least \$25 million in private investment and opened for business on or after July 1, 2013.

DELAWARE

DELAWARE TOURISM

99 Kings Highway, Dover, DE 19901, www.visitdelaware.com

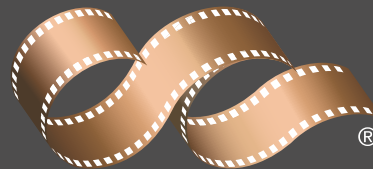
LINDA PARKOWSKI, DIRECTOR: 302-739-4271, linda.parkowski@state.de.us

DELAWARE DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.
THERE IS NO STATE SALES TAX IN DELAWARE.

KNOW NEW TAXES

PRODUCTION INCENTIVE ADMINISTRATION AVAILABLE

Contact Joe Bessacini at 818-480-4427 or joe.bessacini@castandcrew.com



Cast & Crew
FINANCIAL SERVICES

DISTRICT OF COLUMBIA

OFFICE OF MOTION PICTURE AND TV DEVELOPMENT
200 Eye Street, SE Suite 1800, Washington, DC 20003, www.film.dc.gov

ANGIE GATES, DIRECTOR: 202-727-6608, film@dc.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--|-------------------|--|------------------------------|------------------|------------------------|--|--|------------------|--------------|----------------|-------------------------------|
| 21% ⁽¹⁾ 30% BTL Labor ⁽¹⁾ 42% ⁽¹⁾ | Rebate | Yes/No/No | No Cap | \$250k | \$4M Until Expended | Each BTL Resident & BTL Nonresident | No/No | No | No | None | B18-583 B19-743 B20-199 |

⁽¹⁾ 21% on qualified production expenditures not subject to taxation in the District; 30% on below-the-line crew labor; 42% on qualified production expenditures subject to taxation in the District.

REQUIREMENTS: The incentive fund policy is under review and applications are not being accepted at this time. More details will be available once a formal policy has been determined.

QUALIFIED SPEND: Generally, all costs incurred in the District of Columbia are considered qualified expenditures for the purpose of meeting the \$250,000 minimum spend requirement, including payments for labor made to residents and nonresidents.

SUMMARY: Subject to the availability of funds, the production company may be awarded a rebate equal to 42% of the company's qualified production expenditures that are subject to taxation in the District. This includes the purchase of tangible personal property or services related to producing or distributing a qualified production. The production company may also earn 21% on qualified production expenditures that are not subject to taxation in the District. **Wages paid to below-the-line crew (both resident and nonresident) or to their loan out company are considered qualified personnel expenditures and qualify at 30%.**

FLORIDA

FLORIDA OFFICE OF FILM AND ENTERTAINMENT, DEPARTMENT OF ECONOMIC OPPORTUNITY

The Caldwell Building, 107 East Madison Street, MSC 80, Tallahassee, FL 32399, www.filminflorida.com

NIKI WELGE, FILM COMMISSIONER ⁽¹⁾: 850-717-8990, niki.welge@deo.myflorida.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------|-------------------|--|--|--|-----------------------------|--|--|------------------|--------------|----------------|---------------------------|
| 20% - 30% | Tax Credit | No/Yes/5yr | \$8M Film \$500k Comm/ Music | \$625k TH/TV \$100k Indie ⁽²⁾ \$500k Comm/ Music | \$296M Thru 6/30/2016 | 1 st \$400k of Each Resident | No/No | Yes | Yes | 6/30/2016 | S 1752 H 143 H 7087 |

⁽¹⁾ Susan Simms, Los Angeles Liaison, 310-241-0116, susan.simms@deo.myflorida.com ⁽²⁾ Must demonstrate minimum spend of at least \$100,000 but not more than \$625,000 in total qualified expenditures.

REQUIREMENTS: Be certified PRIOR to the first day of principal photography; submit an application electronically no sooner than 180 days before the first day of principal photography; provide proof of financing within 90 days of applying; start principal photography in Florida no more than 45 calendar days before or after the principal photography date provided in the original application; and, **see that 60% or more of the positions that make up the cast and below-the-line production crew be Florida residents.**

QUALIFIED SPEND: Qualified spend includes: the first \$400,000 of compensation paid to each Florida resident; and, **goods and services provided by a registered Florida vendor that has a physical location in Florida and employs one or more legal residents of Florida** (does not include re-billed goods or services provided by an in-state company from an out-of-state vendor). Expenditures made PRIOR to certification or associated with development, marketing, or distribution are not considered qualified costs.

SUMMARY: This program is administered on a first-come, first-served basis with first priority given to high-impact television series and high-impact digital media projects.

A production company may earn a transferable tax credit equal to 20% of qualified expenditures plus an additional 5% for each of the following (up to a maximum of 30% of actual expenses): filming 75% or more of its principal photography days from June 1 through November 30; filming at least 67% of principal photography days within an underutilized region; and/or producing a theatrical or direct to video project that is determined to be “family friendly”. Productions that film 50% or more of principal photography at a qualified production facility may earn a 5% credit on qualified expenditures incurred at the qualified facility. Eligible credits may be claimed against sales/use or corporate income tax liability or transferred in whole or in part. The initial transferee is permitted a one-time transfer to no more than two transferees and the transfer must occur in the same tax year that the initial transferee received the credits. Subsequent transferees may not sell or otherwise transfer the credits. One season of a television series is considered one production. No high-impact television series will be eligible for tax credits if more than 45% of the total tax credits initially certified and awarded after April 1, 2012 were awarded for high-impact television series. However, non high-impact series and one-off episodes may still qualify for the incentive.

MIAMI BEACH, FL

MIAMI BEACH VISITOR AND CONVENTION AUTHORITY (MBVCA)

1701 Meridian Ave., Suite 403, Miami Beach, FL 33139, www.miamibeachvca.com

GRISSETTE ROQUE MARCOS, EXECUTIVE DIRECTOR: groquemarcos@miamibeachvca.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--|-------------------|--|------------------------------|-----------------------|----------------|--------------------|--|------------------|--------------|---------------------|---------------------------|
| 25% of Actual Budget For Prod. Days in Miami Beach | Rebate | Yes/No/No | \$30k | \$120k ⁽¹⁾ | No Cap | NA | No/No | Yes | Yes | None ⁽²⁾ | NA |

⁽¹⁾ Minimum budget in Miami Beach. ⁽²⁾ Program is contingent upon the approval of the annual budget by the City of Miami Beach Mayor and Commission.

REQUIREMENTS: Meet with the MBVCA staff and submit an application within the specified deadlines; provide proof that the production has applied and has been qualified (not necessarily certified) for the Florida Entertainment Industry Financial Incentive Program; file permits with the Miami Beach Office of Film and Print (contact Graham Winick at 305-673-7577 ext. 6597) to film no less than two production days in the City of Miami Beach; demonstrate no less than 250 hotel room nights contracted in Miami Beach; **begin principal photography within 90 days of the date indicated in the grant application;** provide all required documentation and receipts to prove qualification of the incentive within 90 days of the start date; provide a copy of reviewed and/or audited financial statements for the last completed fiscal year; provide the entire production's budget showing confirmed funding from outside sources; meet the minimum Miami Beach budget of \$120,000; and, complete all paperwork including contract, reports, and evaluation within 60 days from the completion of the production.

QUALIFIED SPEND: Qualified spend consists of: Miami Beach location fees, including the rental of Miami Beach venues such as theaters, restaurants, private homes, etc.; equipment such as trucks, RVs, cameras, lighting, staging, props, and tents rented from Miami Beach

businesses solely for use on the production; and, cost of Miami Beach personnel, inclusive of off-duty police, fire, and ocean rescue, for no more than a maximum of 10% of the total grant. Any goods or services listed in the "Funding Restrictions" section of the guidelines, and/or invoices and **expenses incurred prior to the grant award date will not be eligible for the grant.**

SUMMARY: This program is not administered on a first-come, first-served basis. The MBVCA board will review and select which projects will receive the rebate. Miami Beach offers a grant equal to 25% of the actual Miami Beach production budget, up to a maximum grant of \$30,000 per project. Funding for the fiscal year is provided in three periods: October 1 - January 31 (First Period); February 1 - May 31 (Second Period); and, June 1 - September 30 (Third Period). **Each funding period has specific deadlines for meeting with the MBVCA and submitting the application (see MBVCA's website for details).** Failure to meet the specified timelines and submit the appropriate eligibility documentation along with the application will result in disqualification. The incentive is only available to qualified state applicants and applies only to movies and scripted television series.

SARASOTA COUNTY, FL

SARASOTA COUNTY FILM & ENTERTAINMENT OFFICE

1680 Fruitville Road, Suite 402, Sarasota, FL 34263, www.filmsarasota.com

JEANNE CORCORAN, DIRECTOR: 941-309-1200 ext. 2, info@filmsarasota.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---|-------------------|--|------------------------------|------------------|-----------------------|--------------------|--|------------------|--------------|----------------|---------------------------|
| 100% Sarasota County Gov't Fees & Up to 20% Spend | Rebate | Yes/No/No | \$25k ⁽¹⁾ | \$1k | \$250k ⁽²⁾ | Each Resident | No/No | Yes | No | None | NA |

⁽¹⁾ Requests to increase the project cap may be submitted in writing to the Sarasota County Chief Financial Planning Officer for consideration by the Board of County Commissioners. ⁽²⁾ Periodic Fund replenishment at the discretion of the Board of County Commissioners.

REQUIREMENTS: Submit an application within 45 days of completion of the project in Sarasota County along with a completed General Production/Postproduction Expenditure Categories/Rebate Form; provide itemized invoices and bills (or statements or other documents showing details of fees/charges or expense amounts) with proof of payment in full; for any labor costs, provide a copy of a valid Florida driver's license and current utility bill or similar document that includes matching name and address showing proof of Sarasota County residency.

QUALIFIED SPEND: Generally, qualified spend consists of costs incurred for production and postproduction activities in Sarasota County or its municipalities performed by businesses and residents of Sarasota County or its municipalities. See General Production/Postproduction Expenditure Categories/Rebate Form for qualifying expenditures. **County government fees and charges eligible for 100% rebate include:** County permits, parking, law enforcement, fire, emergency services, road closures, use of County lands or buildings, and use of County staff.

SUMMARY: This program is administered on a first-come, first-served basis. **Production companies may earn a rebate equal to 100% of Sarasota County Government fees/charges and up to 20% of nongovernmental qualified expenditures and resident labor costs.** The rebate percentage on total qualified nongovernmental expenditures is calculated as follows: \$1,000 - \$5,999 earns 10%; \$6,000 - \$10,999 earns 12.5%; \$11,000 - \$20,999 earns 15%; \$21,000 - \$30,999 earns 17.5%; and, \$31,000 or more earns 20%. The rebate on total resident labor costs is calculated as follows: \$1,000 - \$5,999 earns 10%; \$6,000 - \$10,999 earns 12.5%; \$11,000 - \$20,999 earns 15%; \$21,000 - \$30,999 earns 17.5%; and, \$31,000 or more earns 20%. Sarasota County consists of: City of Sarasota; City of Venice; portions of the City of North Port and Town of Longboat Key; the five barrier islands of Longboat, Lido, Siesta, Casey, and Manasota Keys; and, unincorporated Sarasota County.

GEORGIA

GEORGIA FILM, MUSIC, AND DIGITAL ENTERTAINMENT OFFICE

75 5th Street, N.W., Suite 1200, Atlanta, GA 30308, www.georgia.org

LEE THOMAS, DIRECTOR: 404-962-4052, lthomas@georgia.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|----------------------------------|-------------------|--|------------------------------|------------------|----------------|--|--|------------------|-------------------|----------------|---------------------------|
| 20% +10% Promo ⁽¹⁾ | Tax Credit | No/Yes/5yr | No Cap | \$500k | No Cap | 1 st \$500k of Each Resident & Nonresident on W-2 ⁽²⁾ | Yes 6%/Yes | Yes | No ⁽³⁾ | None | H 1027 H 958 |

⁽¹⁾ The production company can earn an additional 10% (for a total of 30%) of the total qualified in-state spend if the production includes a “qualified Georgia promotion”. For features, the qualified Georgia promotion is: (1) a five-second long logo that promotes Georgia in the end credits before the below-the-line crew crawl for the life of the project and (2) a link to Georgia on the project’s web page. ⁽²⁾ \$500,000 salary cap applies only to workers whose earnings are reported on Form W-2. ⁽³⁾ Voluntary audit program.

REQUIREMENTS: Schedule principal photography to begin within 90 days of filing an application; and, meet the minimum in-state spending requirement of at least \$500,000 in a single year on one or more projects for qualified production expenditures incurred during preproduction, production, or postproduction. **Both the production company and the loan out company must register for payroll withholding with the Department of Revenue.**

QUALIFIED SPEND: Qualified spend includes production goods and services incurred in Georgia that are directly used in the production including airfare and insurance purchased through a Georgia agency. **Payments made to a loan out company for services provided in Georgia are subject to 6% withholding.** Cast & Crew has an office in Georgia; therefore, our workers’ compensation fees qualify for the maximum incentive.

SUMMARY: This program is administered on a first-come, first-served basis. Georgia offers a transferable tax credit equal to 20% of the total qualified in-state spend. An additional 10% of the total qualified in-state spend is available if the production includes a “qualified Georgia promotion” in the credits. The first \$500,000 of payroll reported on a Form W-2 for each employee (resident or nonresident) working in the state will qualify. **Loan outs or independent contractors receiving 1099s are not subject to the \$500,000 limit.** The voluntary verification program is conducted on a first-come, first-served basis. An application along with a deposit based on the total amount of production costs in Georgia must be submitted to the Department of Revenue (DOR). Deposits range from \$5,000 to \$20,000. A fee of \$150 per hour, per auditor plus any out-of-pocket expenses incurred by the DOR will be charged against the deposit. Any portion of the deposit that is not used will be refunded. If the audit costs exceed the deposit, the additional amount must be remitted. For further information contact Anita DeGumbia at 404-417-6436. This program does not have a state funding cap, per project incentive cap, or sunset date.

HAWAII

HAWAII FILM OFFICE/DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, & TOURISM

250 S. Hotel Street, Suite 510, Honolulu, HI 96813, www.filmoffice.hawaii.gov

DONNE DAWSON, FILM COMMISSIONER: 808-586-2570, incentives@hawaiifilmoffice.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---------------------------|-------------------|--|------------------------------|------------------|----------------|---|--|------------------|--------------|----------------|---------------------------|
| 20% or 25% ⁽¹⁾ | Tax Credit | Yes/No/No | \$15M | \$200k | No Cap | Each Resident & Nonresident Subject to HI Tax | No/Yes | Yes | No | 12/31/2018 | H 726 |

⁽¹⁾ 20% of qualified costs incurred in any Hawaii county with a population over 700,000 (currently the island of Oahu); 25% of qualified costs incurred in any Hawaii county with a population of 700,000 or less (currently the islands of Hawaii, Kauai, Lanai, Maui and Molokai).

REQUIREMENTS: Register with the Hawaii Film Office/Department of Business, Economic Development, & Tourism at least five working days PRIOR to the first Hawaii shoot date; meet the minimum in-state spending requirement of at least \$200,000; make reasonable efforts to hire local talent and crew; and, provide evidence of financial or in-kind contributions or educational or workforce development efforts toward the furtherance of the local film, television, and digital media industries. **Loan out companies must be registered with the Hawaii Department of Commerce and Consumer Affairs.**

QUALIFIED SPEND: Qualified spend includes all in-state costs incurred by a qualified production that are subject to the general excise tax or income tax; however, the **costs incurred for the use of state and county facilities and locations that are not subject to general excise tax will qualify for the incentive.** Government imposed fines, penalties, or interest incurred within Hawaii by the qualified production will not qualify.

SUMMARY: This program is administered on a first-come, first-served basis. Hawaii offers a 20% or 25% refundable tax credit on all qualified production costs. Payments to loan out companies may qualify; however, **a loan out company is required to pay the state's general excise tax at the 0.5% wholesale rate on gross receipts.** Hawaii offers the production company a safe harbor to assure payments made to loan out companies will qualify for the incentive. For more information, see Hawaii Department of Taxation Tax Information Release (TIR) Nos. 2009-05 and 2010-04, available at www.filmoffice.hawaii.gov/incentives-tax-credits. While there is not a state funding cap, the maximum credit a project may earn is capped at \$15 million. A CPA audit of costs is voluntary but is recommended for larger projects. This incentive program is scheduled to sunset on December 31, 2018.

IDAHO

IDAHO FILM OFFICE

700 W. State Street, Boise, ID 83720, www.filmidaho.com

AMY RAJKOVICH, FILM OFFICE: 208-334-2470, amy.rajkovich@tourism.idaho.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------|-------------------|--|------------------------------|------------------|---------------------------------------|--|--|------------------|--------------|----------------|---------------------------|
| 20% | Rebate | Yes/Yes/No | \$500k | \$200k | Program Is Not Currently Funded | Each BTL Resident & BTL Nonresident | No/No | No | No | 6/30/2020 | H 592 H 498 |

REQUIREMENTS: PRIOR to commencing work on the production, submit an application to the Idaho Department of Commerce; meet the minimum in-state spending requirement of \$200,000; and, **ensure that 35% of crew working in Idaho on the certified production are Idaho residents as verified by a state certified driver's license or identification card.**

QUALIFIED SPEND: Qualified spend includes: production goods and services incurred in Idaho; below-the-line labor for both residents and nonresidents; and, other reasonable in-state direct expenditures. Production expenses do not include marketing and advertising costs, star salaries, producer and director salaries, script costs, and other indirect costs.

SUMMARY: This program is not administered on a first-come, first-served basis. Idaho provides for a cash rebate of not more than 20% of qualified expenditures up to a maximum of \$500,000 per project. The minimum in-state spend requirement is \$200,000 (per episode for TV projects). A CPA review of costs is not required and there is no screen credit requirement. This incentive program is scheduled to sunset on June 30, 2020. **Currently, this program is not funded.**

ILLINOIS

ILLINOIS FILM OFFICE

100 W. Randolph, Suite 3-400, Chicago, IL 60601, www.film.illinois.gov

CESAR LOPEZ, FILM TAX CREDIT MANAGER: 312-814-3600, cesar.lopez@illinois.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-------------------------------------|-------------------|--|------------------------------|---------------------------------------|----------------|--|--|------------------|--------------|----------------|---------------------------|
| 30% +15% Resident ⁽¹⁾ | Tax Credit | No/Yes/5yr | No Cap | < 30 min > \$50k ≥ 30 min > \$100k | No Cap | 1 st \$100k of Each Resident | No/No | Yes | Yes | 5/6/2021 | H 2482 S 398 S 1286 |

⁽¹⁾ An additional 15% credit may be earned on wages paid to Illinois residents from high poverty or high unemployment areas.

REQUIREMENTS: For film/television, **file an application with the Illinois Film Office (IFO) five business days PRIOR to beginning principal photography**, along with an application of Competitive Need and a Diversity Plan application outlining specific goals for hiring minority persons and females; and, meet the minimum in-state spending requirement of more than \$50,000 for productions less than 30 minutes or more than \$100,000 for productions 30 minutes or longer. For a commercial, the application must be filed with the IFO 24 hours before principal photography begins.

QUALIFIED SPEND: Qualified spend includes: costs incurred from the final script stage to the end of postproduction (even if incurred prior to receiving the Accredited Production Certificate) for the purchase of tangible personal property or services from Illinois vendors; and, the first \$100,000 of compensation paid to each Illinois resident employee. Services qualify as local production spending if they are purchased from an Illinois vendor who has an Illinois address. **Payments to a loan out may qualify if the individual is the sole shareholder and employee of the corporation and the individual meets the residency requirement.**

SUMMARY: This program is not administered on a first-come, first-served basis. The Department of Commerce and Economic Opportunity has the discretion to approve a project based on a number of factors as described in the program legislation. Illinois offers a 30% transferable tax credit on all qualified spend. An additional 15% may be earned on the labor expenditures generated by the employment of residents of geographic areas of high poverty or high unemployment. **The tax credit may be transferred one time within one year after the credit is awarded.** This incentive program is scheduled to sunset on May 6, 2021 and may be renewed by the General Assembly in five-year increments.

INDIANA

FILM INDIANA/INDIANA ECONOMIC DEVELOPMENT CORPORATION

One North Capitol, Suite 700, Indianapolis, IN 46204, www.film.in.gov

ERIN NEWELL SCHNEIDER, DIRECTOR: 317-234-2087, filminfo@iedc.in.gov

INDIANA DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.



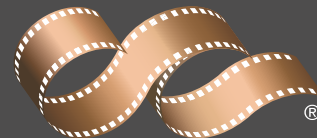
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Cast & Crew
ENTERTAINMENT SERVICES

IOWA

PRODUCE IOWA, STATE OFFICE OF MEDIA PRODUCTION

600 E. Locust, Des Moines, IA 50319, www.produceiowa.com

LIZ GILMAN, EXECUTIVE PRODUCER: 515-725-0044, liz.gilman@iowa.gov

IOWA DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.

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KANSAS

CREATIVE ARTS INDUSTRIES COMMISSION

1000 S.W. Jackson Street, Suite 100, Topeka, KS 66612, www.filmkansas.com

PETER JASSO, DIRECTOR: 785-296-2178, pjasso@kansascommerce.com

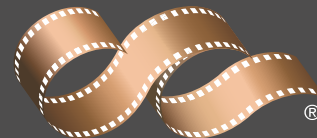
KANSAS DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.



UPDATE ME

PLEASE INCLUDE: **YOUR NAME, COMPANY NAME, TITLE AND PHONE NUMBER.**

Send an email to productionincentives@castandcrew.com
with the word "UPDATES" in the subject field to receive the latest
motion picture and television production incentive updates.



Cast & Crew
FINANCIAL SERVICES

KENTUCKY

KENTUCKY FILM OFFICE

500 Mero Street, 2200 Capital Plaza Tower, Frankfort, KY 40601, www.kyfilmoffice.com

TODD CASSIDY, EXECUTIVE DIRECTOR, OFFICE OF FINANCIAL INCENTIVES: 502-564-3456, todd.cassidy@ky.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------|-------------------|--|------------------------------|---|----------------|--|--|------------------|--------------|----------------|---------------------------|
| 20% | Tax Credit | Yes/No/No | No Cap | \$500k Film/TV \$200k Comm \$50k Docu | No Cap | All BTL & 1 st \$100k of Each ATL | No/No | Yes | No | None | H 3a H 445 |

REQUIREMENTS: File an application at least 30 days PRIOR to incurring any qualified expenditures; meet the appropriate minimum in-state spending requirement of \$500,000 for feature films, \$200,000 for commercials, or \$50,000 for documentaries; start production within two years from the date the production incentive agreement is executed; and, complete the production no more than four years from that date.

QUALIFIED SPEND: Qualified spend includes expenditures made in Kentucky for: script or synopsis; set construction and operations, wardrobe, accessories, and related services; lease or rental of real property in Kentucky as a set location; photography, sound

synchronization, lighting, and related services; editing and related services; rental of facilities and equipment; vehicle leases; food; and, accommodations.

SUMMARY: This program is administered on a first-come, first-served basis. Kentucky offers a fully refundable tax credit equal to 20% of: all qualifying expenditures; all below-the-line wages (resident and nonresident); and, the first \$100,000 per employee for all above-the-line wages (resident and nonresident). **The Film Office may charge an administrative fee of not more than 0.5% of the estimated amount of the incentive or \$500, whichever is greater.**

LOUISIANA

LOUISIANA ENTERTAINMENT

1051 N. 3rd Street, Baton Rouge, LA 70802, www.louisianaentertainment.gov

STEPHEN HAMNER, DIRECTOR OF FILM: 225-342-5403, stephen.hamner@la.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ACT NUMBER |
|--|-------------------|--|------------------------------|------------------|----------------|--------------------------------|--|------------------|--------------|----------------|-------------------|
| 30% + 5% Resident Labor ⁽¹⁾ | Tax Credit | Yes ⁽²⁾ /Yes/10yr | No Cap | > \$300k | No Cap | Each Resident & Nonresident | No/No | Yes | Yes | None | 478 154 178 |

⁽¹⁾ First \$1 million of each resident's wage will earn an additional 5% (payments to loan outs do not qualify for the 5%). ⁽²⁾ A production company may elect to transfer the credits to the state for 85% of the face value.

REQUIREMENTS: Submit an application for initial certification to the Office of Entertainment Industry Development and the Secretary of the Department of Economic Development along with an application fee that is equal to 0.2% of the estimated tax credit but not less than \$200 or more than \$5,000; meet the minimum in-state spending requirement of more than \$300,000; for a production company that is a corporation, the corporation must be incorporated in Louisiana; for a limited liability company or other business entity acting as a production company it must be domiciled and headquartered in Louisiana; and, **PRIOR to final certification, submit a qualified audit issued by an independent CPA licensed in the state of Louisiana** who has sufficient knowledge of generally recognized accounting principles and practices within the film and television industry.

QUALIFIED SPEND: Qualified spend may include costs: for **work physically performed by residents and nonresidents in Louisiana**; for tangible goods acquired from a source within the state during preproduction, production, and postproduction of a state-certified production; actually expended up to one year prior to initial certification; and, actually expended through completion if principal photography begins within one year after initial certification.

SUMMARY: This program is not administered on a first-come, first-served basis. Louisiana provides a 30% transferable tax credit (or elect to transfer the credits to the state for 85% of the face value of the tax credits) on qualified in-state spend plus an additional 5%, for a total of 35%, on the first \$1 million of each resident's wages. **If a production begins principal photography within one year after initial certification, the certification is valid until the production is completed.** For state-certified productions, expenditures shall be certified no more than twice during the duration of a state-certified production unless the motion picture production company agrees to reimburse the office for the costs of any additional certifications. To the extent that the transferor did not have rights to claim or use the credit at the time of the transfer, the Department of Revenue may disallow the credit claimed by the transferee or recapture the credit from the transferee. The transferee's recourse is against the transferor. Individual parishes within the Acadiana Cultural and Entertainment Special District may exempt a production from their local sales and use tax.

JEFFERSON PARISH, LA

OFFICE OF FILM, JEFFERSON

1221 Elmwood Park Blvd., Suite 403, Jefferson, LA 70123, www.filmjeffersonla.com

DOMINIQUE ROTOLO, FILM COORDINATOR: 504-736-6094, drotolo@jeffparish.net

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ACT NUMBER |
|-----------|-------------------|--|------------------------------|------------------|-----------------------------|--------------------|--|------------------|--------------|----------------|---------------|
| 3% | Rebate | Yes/No/No | \$100k ⁽¹⁾ | \$150k | \$1.5M Per Calendar Year | Each Resident | No/No | Yes | Yes | None | 110061 |

⁽¹⁾ \$100,000 per project rebate cap for new productions; \$115,000 per project rebate cap for subsequent productions within 12 months; \$10,000 cap increase if both the production office and sound stage are located in Jefferson Parish.

REQUIREMENTS: Submit an application to the Jefferson Parish Film Office; meet the minimum spending requirement in Jefferson Parish of at least \$150,000; and, **lease either a production office or a sound stage/alternative filming facility in Jefferson Parish.**

QUALIFIED SPEND: Qualified spend includes: all local spend; lodging in Jefferson Parish; and, **payroll for residents of Jefferson Parish, regardless of where they provide services.**

SUMMARY: This program is administered on a first-come, first-served basis. The program allows for a cash rebate equal to 3% of the local spend in Jefferson Parish and of the payroll for residents of Jefferson Parish. **This incentive is in addition to the production incentive awarded by the state.**

SHREVEPORT, LA

ARLENA ACREE, DIRECTOR OF FILM, MEDIA, AND ENTERTAINMENT: 318-673-7515, arlena.acree@shreveportla.gov

CITY OF SHREVEPORT FILM OFFICE

505 Travis Street, Shreveport, LA 71101, www.shreveport-bossierfilm.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | RESOLUTION NUMBER |
|---------------------|-------------------|---|---------------------------|---------------|-------------|-----------------|---------------------------------------|---------------|-----------|-------------|-------------------|
| 2.5% ⁽¹⁾ | Sales Tax Rebate | Yes/No/No | \$150k ⁽³⁾ | \$300k | No Cap | NA | NA/NA | No | Yes | None | 86 of 2009 |
| 1.5% ⁽²⁾ | | Yes/No/No | \$20k ⁽³⁾ | \$75k | No Cap | NA | NA/NA | No | Yes | None | 4893 of 2009 |

⁽¹⁾ City of Shreveport sales tax rebate. ⁽²⁾ Caddo Parish (unincorporated areas) sales tax rebate. ⁽³⁾ See details below.

REQUIREMENTS: For the City of Shreveport sales tax rebate: apply with the City of Shreveport Film Office upon executing a lease or rental agreement for production office space or a soundstage within Caddo Parish; enter into an agreement with the City for the incentive payment; meet the minimum spending requirement in Caddo Parish of at least \$300,000; and, apply for the rebate no more than 180 days after the production's activities in the City are completed. For the Caddo Parish sales tax rebate: meet the minimum spending requirement of at least \$75,000 within the unincorporated areas of Caddo Parish; locate the production office within an unincorporated area of Caddo Parish or utilize a soundstage located within an unincorporated area of Caddo Parish; and, apply to the Caddo Parish Department of Finance no more than 60 days after the production's activities in Caddo Parish are completed.

QUALIFIED SPEND: The rebates are available for both the City of Shreveport and the Caddo Parish sales taxes paid on: lodging for cast and crew; all lease and rental expenses including those for equipment, automobiles, soundstages, and location or production offices located in the City of Shreveport/unincorporated areas of Caddo Parish; and, other production or postproduction expenses.

SUMMARY: Both programs are administered on a first-come, first-served basis. The City of Shreveport offers a rebate of the 2.5% city sales taxes and Caddo Parish offers a rebate of the 1.5% local sales taxes paid on lodging, lease, rental, and other production expenses that are incurred in the City or the unincorporated areas of the Parish, respectively. Although there is not a funding cap on either program, the City of Shreveport and Caddo Parish rebates have per project rebate caps of: \$150,000 and \$20,000, respectively, for new productions; and, \$165,000 and \$22,000, respectively, for subsequent productions completed within 12 months of a prior production. These caps may be increased by \$10,000 and \$1,200, respectively, if a Caddo Parish postproduction company is utilized. **The City of Shreveport also offers free use of government buildings for shooting purposes.** Once funds appropriated in a fiscal year have been expended or encumbered, no further incentive agreements will be executed for that fiscal year, unless additional funds are appropriated for that purpose.

MAINE

MAINE FILM OFFICE

59 State House Station, Augusta, ME 04333, www.filminmaine.com

KAREN CARBERRY WARHOLA, DIRECTOR: 207-624-9828, film@maine.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--------------------------------|-------------------|--|------------------------------|------------------|----------------|---|--|------------------|--------------|----------------|---------------------------|
| 10% or 12% Wage ⁽¹⁾ | Rebate | Yes/No/No | No Cap | \$75k | No Cap | 1 st \$50k of Each Resident & Nonresident NA | No/No | Yes | No | None | H 1005 |
| 5% Spend | Tax Credit | No/No/No | No Cap | \$75k | No Cap | | | | | | |

⁽¹⁾ 10% on the first \$50,000 of wages paid to nonresidents and 12% on the first \$50,000 of wages paid to residents.

REQUIREMENTS: Apply for the media production certificate on the form prescribed by the department; provide a certificate of insurance for the project; demonstrate that the production intends to incur at least \$75,000 of media production expenses in Maine; **provide information to demonstrate the project is fully funded;** and, provide on-screen credit for the State of Maine.

QUALIFIED SPEND: All production costs incurred in Maine will qualify for the minimum spend requirement of \$75,000; however, **only the first \$50,000 of wages paid to nonresidents and residents that are subject to Maine withholding are eligible for the wage rebate of 10% and 12%, respectively.**

SUMMARY: Maine currently offers two incentive programs, which are administered on a first-come, first-served basis. The first is a cash rebate equal to 10% or 12% of the first \$50,000 of wages paid to nonresidents or residents, respectively. The second is a nonrefundable, nontransferable income tax credit equal to 5% of all non-wage production costs incurred in Maine. In order to participate in either program, the production company must spend at least \$75,000 in Maine. **Maine also offers a long-term lodging tax reimbursement on stays over 28 consecutive days.** If a stay is longer than 28 consecutive days, all lodging taxes paid on the initial 28 days are reimbursed and all consecutive days thereafter are exempt.

MARYLAND

MARYLAND FILM OFFICE

401 E. Pratt Street, 14th Floor, Baltimore, MD 21202, www.marylandfilm.org

JACK GERBES, DIRECTOR: 410-767-6340, jack@marylandfilm.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---------------------------|-------------------|--|------------------------------|------------------|--------------------------------------|--|--|------------------|--------------|----------------|---------------------------|
| 25% or 27% ⁽¹⁾ | Tax Credit | Yes/No/No | No Cap | > \$500k | \$7.5M 6/30/2015 \$7.5M 6/30/2016 | Each Resident & Nonresident Earning ≤ \$500k | No/No | Yes | Yes | 6/30/2016 | S 183 |

⁽¹⁾ Direct costs associated with the production of a television series (including a miniseries or pilot) will earn 27%.

REQUIREMENTS: PRIOR to beginning any activity, submit an application to qualify for the tax credit to the Department of Business & Economic Development; meet the minimum in-state spending requirement of more than \$500,000; and, **at least 50% of the filming must occur in Maryland.**

QUALIFIED SPEND: Qualified spend includes: wages and benefits of resident and nonresident employees if the employee earns \$500,000 or less; fees for services provided in Maryland; costs of acquiring or leasing property; **travel expenses to bring persons into the state but not the expenses of persons departing from Maryland;** and, any other expenses necessary to carry out a film production activity.

SUMMARY: This program is administered on a first-come, first-served basis. Maryland offers a refundable tax credit equal to 25% of the total direct costs associated with all qualified film production activity with the exception of a television series (including a miniseries or a pilot produced for an intended television series), which will earn 27% of total direct costs. **Total direct costs do not include any portion of the salary, wages, or other compensation of an individual who receives more than \$500,000 for personal services.** While there is a state funding cap of \$7.5 million each year for the fiscal years ending June 30, 2015 and June 30, 2016, there is not a limit on the tax credit that may be earned by a project. If the aggregate tax credit certificates issued by the Secretary total less than the maximum amount allowed in any fiscal year, the excess amount may be carried forward and issued in a subsequent fiscal year. This incentive program is scheduled to sunset on June 30, 2016.

MASSACHUSETTS

MASSACHUSETTS FILM OFFICE

10 Park Plaza, Suite 4510, Boston, MA 02116, www.mafilm.org

LISA STROUT, EXECUTIVE DIRECTOR: 617-973-8400, lisa.strout@state.ma.us

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--------------------------|-------------------|--|------------------------------|------------------|----------------|---|--|------------------|--------------|----------------|----------------------------|
| 25% Payroll 25% Spend | Tax Credit | Yes ⁽¹⁾ /Yes/5yr | No Cap | \$50k | No Cap | Each Resident & Nonresident ⁽²⁾ | Yes 5.15%/Yes | Yes | Yes | 12/31/2022 | H 4252 H 4084 H 4904 |

⁽¹⁾ A production company may elect to transfer the credit to the state for 90% of the face value. ⁽²⁾ No part of any salary that is greater than or equal to \$1 million for any individual will qualify for the payroll credit but such salary may be included in the calculation of the production spend credit, including the portion of such salary that is less than \$1 million (provided the project qualifies for the production spend credit).

REQUIREMENTS: Meet the minimum qualified spending requirement of \$50,000 within a 12-month period for the preproduction, production, and postproduction of a qualified production. **To qualify for the 25% production spend credit, the in-state production expenses must exceed 50% of the total production expenses or at least 50% of the total principal photography days must take place in Massachusetts.**

QUALIFIED SPEND: Qualified spend includes: resident and nonresident labor sourced to Massachusetts; all direct production expenditures incurred in Massachusetts; and, goods acquired from out-of-state vendors and used in Massachusetts. The payroll credit does not include any of the salary of persons earning \$1 million or more but 100% of those salaries will qualify for the production spend credit if the production meets the 50% spend test or the 50% principal photography test. **Salaries and wages must have Massachusetts' withholding in order to qualify.** Withholding at a rate of 5.15% is required on all payments made to a loan out company.

SUMMARY: This program is administered on a first-come, first-served basis. Massachusetts offers a unique incentive in that you can elect to take the credits as either a refundable tax credit equal to 90% of the face value (guaranteed) or sell them at the market rate to a third party. A taxpayer that elects to receive a refund of the credit from the state must file an electronic tax return for the tax period at issue. The Commissioner will apply the credit against the taxpayer's liability as reported on its tax return and then refund 90% of the balance of the credits to the taxpayer. **Productions should secure the required information and signatures needed to complete the Loan Out Affidavit sooner rather than later in the production process.** This incentive program is scheduled to sunset on December 31, 2022.

MICHIGAN

MICHIGAN FILM OFFICE

300 N. Washington Square, 3rd Floor, Lansing, MI 48913, www.michiganfilmoffice.org

JENELL LEONARD, DIRECTOR: 517-373-3456, mfo@michigan.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--------------------|-------------------|--|------------------------------|------------------|-----------------|--------------------------------|--|------------------|--------------|----------------|-------------------------------------|
| 25% ⁽¹⁾ | Rebate | Yes/No/No | No Cap | \$100k | \$50M 9/30/2015 | Each Resident & Nonresident | Yes 4.25%/Yes | Yes | Yes | 12/26/2021 | S 1177 S 569 S 1103 H 5313 |

⁽¹⁾ May earn an additional 3% or 10% of direct production expenditures and qualified personnel expenditures incurred at a qualified facility or at a qualified postproduction facility, respectively.

REQUIREMENTS: Submit an application to the Michigan Film Office along with an application fee equal to 0.2% of the funding requested but not less than \$200 or more than \$5,000; meet the minimum in-state spending requirement of at least \$100,000; enter into an agreement with the Film Office; and, start work in the state within 90 days of the effective date of the agreement. Initially, a ratio of 1 nonresident to 1 Michigan resident hired is required; this increases to a ratio of 1 nonresident to 3 Michigan residents hired for effective dates after October 1, 2022. **The incentive earned for above-the-line personnel shall not exceed 30% of the total incentive for each production.**

QUALIFIED SPEND: Qualified spend includes: direct production expenditures made in Michigan during development, preproduction, production, or postproduction; commercial airfare for travel to or within Michigan and insurance if purchased from an in-state agency; and, all wages, benefits, and payroll taxes for each resident and nonresident

crew, talent, management, or labor. Payments made to a loan out company are subject to 4.25% withholding. For “residual payments” made to above-the-line personnel, either withholding must be made for not less than 12 years or **the production company must notify the above-the-line personnel of their registration obligations in writing at the time of their engagement.**

SUMMARY: This program is not administered on a first-come, first-served basis. The Film Office has the discretion to approve a project based on a number of factors as described in the program statute. **A television series may submit an application for one or more successive seasons.** Preferential funding will be given to successive seasons of a television series that previously received funding. Ten percent of the state annual appropriation is reserved for projects with total budgets of less than \$15 million. This incentive program is scheduled to sunset on December 26, 2021.

MINNESOTA

MINNESOTA FILM AND TV BOARD

401 North 3rd Street, Suite 245, Minneapolis, MN 55401, www.mnfilmtv.org

JILL JOHANSEN, INCENTIVES SPECIALIST: 612-767-0095, jill@mnfilmtv.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---------------------------|-------------------|--|------------------------------|---------------------------|----------------------|--|--|------------------|--------------------|----------------|---------------------------|
| 20% or 25% ⁽¹⁾ | Rebate | Yes/No/No | \$5M | ≥ \$100k < \$1M ≥ \$1M | \$10M ⁽²⁾ | Each Resident & 1 st \$400k/\$500k of Each NR Performing Artist | No/No | Yes | Yes ⁽³⁾ | None | H 729 |

⁽¹⁾ 20% if a production incurs qualified spend of at least \$100,000; 25% if a production incurs qualified spend of at least \$1 million within 12 months of certification or shoots 60% of the total shooting days in Minnesota outside the metro area. ⁽²⁾ Funds are available until expended. ⁽³⁾ Required if in-state expenditures are \$1 million or more.

REQUIREMENTS: Submit an application no more than 90 days (six months for features spending more than \$5 million) PRIOR to the start of principal photography in Minnesota (projects that began principal photography in Minnesota prior to applying are not eligible); **schedule a processing procedures meeting with the Incentives Specialist before production begins;** meet the minimum qualified spending requirement of at least \$100,000; have a bank letter stating 50% of the budget is available in verifiable funds (this requirement does not apply to TV programs or series); for feature films, have a running time of at least 40 minutes; and, submit the Snowbate Expenditure Report no later than 90 days from the completion of production activities in Minnesota (the due date will be stated in the certification letter and extensions will be considered on a case-by-case basis). Projects applying for the postproduction only rebate must submit their application no earlier than 90 days PRIOR to beginning postproduction.

QUALIFIED SPEND: **Qualified spend includes costs incurred within 12 months of the certification date** that are associated with all stages of production provided the payments

are made for services performed in Minnesota or to Minnesota companies. The maximum rebate that may be earned on the salary paid to each nonresident performing artist for services performed in Minnesota is \$100,000. This equates to 20% of the first \$500,000 or 25% of the first \$400,000 of salary expense. Expenses incurred PRIOR to the date on the project certification letter are not eligible.

SUMMARY: This program is administered on a first-come, first-served basis. Productions may earn a cash rebate of 20% or 25% by meeting the requirements described above. For projects with more than \$1 million in Minnesota expenditures, Minnesota Film & TV will provide an experienced CPA and cover the cost of this review. **Minnesota also offers a postproduction only rebate equal to 20% or 25% for productions that incur qualified spend of at least \$50,000 or \$200,000, respectively.** There is a state funding cap of \$10 million each year and the maximum rebate a project may earn is capped at \$5 million. This program does not have a sunset date.

MISSISSIPPI

MISSISSIPPI FILM OFFICE

501 North West Street, 5th Floor, Jackson, MS 39201, www.filmmississippi.org

WARD EMLING, MANAGER: 601-359-3422, wemling@mississippi.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--|-------------------|--|------------------------------|------------------|--|--|--|------------------|--------------|--------------------------|---------------------------|
| 25% Local Spend & NR Labor 30% Resident Labor + 5% Veteran ⁽¹⁾ | Rebate | Yes/No/No | \$10M | \$50k | \$20M Per Fiscal Year (7/1-6/30) | 1 st \$5M of Each Resident & Nonresident Subject to MS W/H | Yes 5%/Yes | Yes | No | 6/30/2016 ⁽²⁾ | S 2374 |

⁽¹⁾ An additional 5% may be earned on payroll paid to any employee who is an honorably discharged veteran of the United States Armed Forces and whose wages are subject to Mississippi Income Tax withholding law. ⁽²⁾ Sunset date pertains only to the rebate on nonresident labor.

REQUIREMENTS: Production companies are encouraged to **submit an application for approval to the Mississippi Film Office/Mississippi Development Authority (MDA) at least one month PRIOR to the start of any preproduction activities in Mississippi;** meet the minimum in-state spending requirement of at least \$50,000; see that at least 20% of the production crew on payroll are Mississippi residents; and, upon completion of the project, submit a rebate request to the Department of Revenue. Loan out companies must be registered with the Mississippi Department of Revenue.

QUALIFIED SPEND: Qualified spend includes all production costs in Mississippi and up to the first \$5 million of payroll paid to each resident and each nonresident. Payroll means salaries, wages, or other compensation, including related benefits paid to employees upon which Mississippi income tax is due and has been withheld as well as fringes paid that are not subject to income tax, including but not limited to: FICA; workers' compensation insurance; and, pension, health, and welfare benefits. Payments made to a loan out company, for services provided in Mississippi, are subject to 5% withholding. **Any expenditures made PRIOR to the date of the Letter of Commitment from the MDA are**

not be eligible for the rebate.

SUMMARY: This program is administered on a first-come, first-served basis. The Mississippi incentive allows for a cash rebate equal to 25% of all local expenditures. The first \$5 million of payroll paid to each nonresident whose wages are subject to Mississippi withholding will earn a rebate equal to 25%, while the first \$5 million of payroll paid to each resident whose wages are subject to Mississippi withholding will earn a 30% rebate. An additional 5% rebate may be earned on payroll paid to any employee who is an honorably discharged veteran of the United States Armed Forces and whose wages are subject to Mississippi Income Tax withholding law. There is a state funding cap of \$20 million per fiscal year and the maximum rebate a project may earn is capped at \$10 million. **Rebates will be issued within 90 business days after submission of all required documentation of production expenditures in Mississippi.** A reduced sales tax rate equal to 1.5% may apply to equipment used in the production of a motion picture. The rebate offered on nonresident payroll is scheduled to sunset on June 30, 2016.

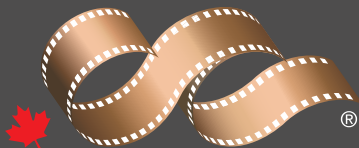
MISSOURI

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

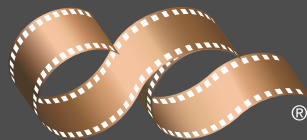
301 West High Street, Room 770, Jefferson City, MO 65102, www.mofilm.org

MELODY WORLEY, ECONOMIC DEVELOPMENT INCENTIVE SPECIALIST: 573-751-9048, melody.moncier@ded.mo.gov

MISSOURI DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.



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MONTANA

MONTANA FILM OFFICE

301 S. Park Avenue, Helena, MT 59620, www.montanafilm.com

DENY STAGGS, FILM COMMISSIONER: 406-841-2876, dstaggs@mt.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--------------------------------|-------------------|--|------------------------------|------------------|---------------------|---|--|------------------|--------------|---------------------------|------------------------------|
| 9% Spend 14% Resident Labor | Tax Credit | Yes ⁽¹⁾ /No/4yr | No Cap | \$0 | No Cap | 1 st \$50k of Each Resident | No/Yes | Yes | No | 12/31/2014 ⁽⁴⁾ | H 40 H 584 H 163 NA |
| Up to 20% | Grant | Yes/No/No | No Cap | \$0 | \$1M ⁽²⁾ | ⁽³⁾ | No/Yes | Yes | Yes | 6/30/2016 | NA |

⁽¹⁾ Any excess resident labor credit may be refunded or carried forward but any excess spend credit must be refunded. ⁽²⁾ Projects may earn more than \$1 million but the funds will be paid over two fiscal years.

⁽³⁾ Each resident and each below-the-line nonresident (without a dollar limitation). ⁽⁴⁾ At the time of publication, House Bill 120 had been introduced, which proposes to eliminate the sunset date of the tax credit program.

REQUIREMENTS: PRIOR to the start of principal photography, file an application with the Montana Film Office; within 60 days of the completion of principal photography, submit a statement of expenditures and compensation paid to Montana residents; and, certify in writing that each vendor in Montana has been paid in full for all goods and services. A \$500 fee is required prior to filing the tax return.

QUALIFIED SPEND: For the tax credit programs, the first \$50,000 in wages paid to each Montana resident qualifies for the 14% labor credit. Expenditures qualifying for the 9% production spend credit include all production related expenditures made in Montana with Montana vendors or subcontractors. Reimbursed expenses, per diems, and employer paid benefits not included in the employee's Form W-2 do not qualify for the labor credit but may qualify for the production spend incentive. **Payments to loan outs do not qualify for the labor credit; however, a payment to a loan out may qualify for the production spend credit if the loan out company is incorporated in Montana and the individual owner is a resident of Montana.**

SUMMARY: Montana offers two distinct incentive programs that are administered on a first-come, first-served basis. The tax credit program consists of a refundable tax credit equal to 14% on the first \$50,000 of each Montana resident's wages (both below-the-line and above-the-line) plus 9% of qualified Montana expenditures. There is no state funding cap or maximum per project incentive cap. The credits allowed by this incentive may not be claimed by a taxpayer if the taxpayer has included the amount of compensation and/or qualified expenditure upon which the amount of the credit was computed as a deduction on their Montana tax return. This incentive program is scheduled to sunset on December 31, 2014. **Under the grant program, a production company may earn up to 20% (when combined with the tax credit incentive) of all Montana expenditures if the project shoots at least 50% of principal photography in Montana.** If the project does not meet the 50% principal photography test but spends more than \$300,000 in-state, it can earn up to 15% (when combined with the tax incentive) of all Montana expenditures. In addition, the state of Montana does not have a sales tax.

NEBRASKA

NEBRASKA FILM OFFICE

301 Centennial Mall South, Lincoln, NE 68509, www.filmnebraska.org

LAURIE RICHARDS, FILM OFFICER: 402-471-3746, info@filmnebraska.org

NEBRASKA DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.
LOCAL MUNICIPALITIES MAY OFFER INCENTIVES. CONTACT THE FILM OFFICE FOR MORE INFORMATION.



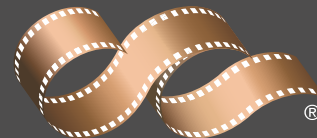
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Cast & Crew
FINANCIAL SERVICES

NEVADA

NEVADA FILM OFFICE

6655 W. Sahara Avenue, Suite C-106, Las Vegas, NV 89146, www.nevadafilm.com

ERIC PREISS, DIRECTOR: 877-638-3456, lvnfo@nevadafilm.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--|-------------------|--|------------------------------|------------------|--------------------------|---|--|------------------|--------------|----------------|---------------------------|
| 15% - 19% Spend & Resident Labor ⁽¹⁾ 12% NR Labor | Tax Credit | No/Yes/4yr | \$6M | \$500k | \$10M Thru 12/31/2017 | 1 st \$750k of Each Resident & Nonresident | No/No | No | Yes | 12/31/2017 | S 165 S 1a |

⁽¹⁾ The base amount of the tax credit is equal to 15% of cumulative qualified expenditures; however, it is possible to increase the tax credit to 19%. See details below.

REQUIREMENTS: Submit an application no earlier than 90 days PRIOR to the start of principal photography or principal development, whichever is applicable; provide proof that the production is in the economic interest of the state; 50% or more of the funding for the production must be placed in escrow or a trust; **at least 60% of the total expenditures and production costs (including preproduction and postproduction costs) must be incurred in the state;** provide an audited report of qualified expenditures and production costs; meet the minimum in-state spending requirement of at least \$500,000; complete the production within one year from the start of principal photography; and, submit all accountings and required information no later than 30 days after the completion of the qualified production.

QUALIFIED SPEND: Qualified expenditures and production costs include, but are not limited to, purchases of tangible personal property or services from a Nevada business on or after the date the application was submitted for the tax credit; and, the first \$750,000 of wages or salaries of each resident and nonresident providing services in Nevada. **The compensation paid to all Nevada resident producers must not exceed 10% (5% for all nonresident producers) of the total expenditures incurred in Nevada.**

SUMMARY: This program is not administered on a first-come, first-served basis. The Office of Economic Development shall determine if the production is in the economic interest of the state. A production company may earn a transferable tax credit equal to 15% of the cumulative qualified expenditures and production costs (including resident labor costs) plus an additional 2% of the cumulative qualified expenditures and production costs (including resident labor costs) for meeting each of the following requirements: more than 50% of the below-the-line personnel are Nevada residents; and/or, more than 50% of the filming days occur in a county within the state in which, in each of the two years immediately preceding the date of application, qualified productions incurred less than \$10 million of direct expenditures. The first \$750,000 of wages and salaries (including fringe benefits) paid to **nonresident above-the-line personnel will earn a tax credit equal to 12%, while nonresident below-the-line personnel will earn 12% in the 2015 calendar year, 10% in 2016, and 8% in 2017.** There is a state funding cap of \$10 million, which is available through the sunset date of December 31, 2017, and the maximum tax credit a project may earn is capped at \$6 million.

NEW HAMPSHIRE

NEW HAMPSHIRE FILM AND TELEVISION OFFICE
19 Pillsbury Street, Concord, NH 03301, www.nh.gov/film
MATTHEW NEWTON, DIRECTOR: 603-271-2220, film@nh.gov

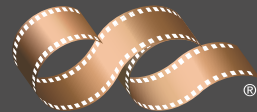
NEW HAMPSHIRE DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.
THERE IS NO SALES TAX IN NEW HAMPSHIRE.



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STEVE GORELICK, EXECUTIVE DIRECTOR: 973-648-6279, njfilm@njfilm.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------|-------------------|--|------------------------------|------------------|--|---|--|------------------|--------------|----------------|---------------------------|
| 20% | Tax Credit | No/Yes/7yr | No Cap | \$0 | \$10M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Subject to NJ Tax | No/Yes | No | Yes | 6/30/2015 | S 2526 |

REQUIREMENTS: Apply to the New Jersey Economic Development Authority; **begin principal photography within 150 days after the approval of the application**; and, incur 60% of total film production expenses (exclusive of postproduction costs) for services performed and goods used or consumed in New Jersey. Loan out companies must be registered with the Department of State.

QUALIFIED SPEND: Qualified spend includes expenses incurred in New Jersey for the production of a film, including postproduction costs incurred in New Jersey.

SUMMARY: This program is administered on a first-come, first-served basis. New Jersey offers a 20% tax credit on qualified production expenses with no minimum spend requirement. **While there is not a withholding requirement on payments made to a loan out, the loan out must be registered to do business in New Jersey in order for those payments to qualify for the incentive.** While there is a state funding cap of \$10 million per year, there is not a limit on the tax credit that may be earned by a project. Production companies must produce a finished print of their project before submitting their final figures for approval. The tax credits earned by this incentive when combined with any other credits may not exceed 50% of the taxpayer's liability. This incentive program is scheduled to sunset on June 30, 2015.

NEW MEXICO

NEW MEXICO FILM OFFICE, ECONOMIC DEVELOPMENT DEPARTMENT

Joseph Montoya Building, 1st Floor, 1110 St. Francis Drive, Suite 1213, Santa Fe, NM 87505, www.nmfilm.com

NICK MANIATIS, DIRECTOR: 505-476-5604, nick@nmfilm.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-------------|-------------------|--|------------------------------|------------------|--|--|--|------------------|--------------------|----------------|---------------------------|
| 25% + 5% | Tax Credit | Yes ⁽¹⁾ /No/No | No Cap | \$0 | \$50M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Performing Artist ⁽²⁾ | Yes 4.9%/No | Yes | Yes ⁽³⁾ | None | H 641 |

⁽¹⁾ Credits of \$2 million or more may be paid out in equal installments over one or two years. ⁽²⁾ See below for details. ⁽³⁾ Credit claims exceeding \$5 million require an audit.

REQUIREMENTS: PRIOR to the start of principal photography, submit registration and agreement forms; pay all obligations incurred in New Mexico; and, submit required forms at the completion of production. **Credit claims will only be considered if the claim is made on a complete tax return timely filed after the close of the taxable year.** Refunds are issued based on the order in which the credit claims are received.

QUALIFIED SPEND: Qualified spend includes all direct production and postproduction expenditures made in New Mexico, including services rendered in-state that are subject to taxation by New Mexico. Labor costs for nonresidents in the following positions do not qualify: director; writer; producer; associate producer; co-producer; executive producer; production supervisor; director of photography; motion picture driver whose sole responsibility is driving; production or personal assistant; costume, set, and production designer; still photographer; carpenter and utility technician at an entry level; and, nonstandard industry job positions and personal support services. However, labor costs for certain other nonresidents may qualify if pre-approved and hired by a New Mexico "vendor". Payments to a personal services business for the services of a nonresident performing artist's loan out will qualify if the personal services business pays gross receipts

tax (GRT) on the portion of those payments qualifying for the tax credit and the production company withholds or causes the withholding of Personal Income Tax at the rate of 4.9%. The GRT rate on the personal services business is 5.125%. **Qualified costs for services of all performing artists (residents and nonresidents), including stunt performers (on-camera), are capped at \$20 million in the aggregate.** Nonresident performing artist "direct hires" are not required to be processed through a personal services business; however, only wages and per diem qualify for those employees.

SUMMARY: This program is administered on a first-come, first-served basis. The program provides for a 25% refundable tax credit on all qualified direct production expenditures. **An additional 5% of direct production expenditures is available to a TV series with an order for at least six episodes and a New Mexico budget of \$50,000 or more per episode;** or, an additional 5% of all resident wages and fringe benefits, excluding performing artists, is available for a project with a New Mexico budget of less than \$30 million that shoots at least 10 principal photography days (15 days for productions with budgets of \$30 million or more) at a New Mexico qualified production facility (e.g. sizable soundstage).

NEW YORK

NEW YORK STATE GOVERNOR'S OFFICE FOR MOTION PICTURE & TV DEVELOPMENT

633 3rd Avenue, 33rd Floor, New York, NY 10017, www.nylovesfilm.com

GIGI SEMONE, EXECUTIVE DIRECTOR: 212-803-2330, nyfilm@esd.ny.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---------------------|-------------------|--|------------------------------|------------------|-----------------------------|--|--|------------------|--------------|----------------|--------------------------------------|
| 30% or 35% | Tax Credit | Yes/No/No | No Cap | \$0 | \$420M Per Calendar Year | Each BTL Resident & BTL Nonresident | No/No | Yes | No | 12/31/2019 | S 6060 A 9710 S 7244 S 2609 |
| +10% ⁽¹⁾ | Tax Credit | Yes/No/No | No Cap | \$500k | | BTL Labor | | | | | |

⁽¹⁾ See below for details

REQUIREMENTS: Apply PRIOR to the start of principal photography and start production within 180 days of submitting the application. With the exception of an independent film or pilot, **at least 10% of the total principal photography days of a qualified film must occur at an in-state qualified production facility.** Once the stage requirement is met, in order for costs related to location work, preproduction, and other work done in New York (outside the facility) to be eligible, either (1) at least 75% of any days shot on location outside the facility must be in New York State or (2) the production must spend at least \$3 million on work incurred at the qualified production facility. If a production shoots at any non-qualified production facility in addition to the qualified production facility, then at least 75% of the total facility related costs must be spent at the qualified facility.

QUALIFIED SPEND: Qualified spend includes direct production expenditures made in New York during preproduction, production, and postproduction, including all below-the-line wages as well as wages for background talent.

SUMMARY: This program is administered on a first-come, first-served basis. In addition to the 30% film production incentive, a postproduction incentive is available to encourage

projects not shot in the state to do their postproduction in New York. **The postproduction credit is equal to 30% or 35% of postproduction costs incurred at a New York qualified postproduction facility depending on whether the facility is downstate or upstate.** The credit is available to productions whose postproduction costs at a qualified postproduction facility (excluding visual effects and animation costs) are at least 75% of all postproduction costs. Twenty-five million dollars is reserved each year, through 2019, for the postproduction “only” credit. Costs for visual effects and animation are treated separately from all other postproduction costs and there is a separate eligibility threshold. Visual effects and animation costs qualify for a credit if either 20% or \$3 million of all such costs are incurred in New York. Film credits in excess of \$1 million but less than \$5 million will be paid out in equal installments over a two-year period, while credits of \$5 million or more will be paid out over a three-year period. A “relocated talk or variety program” may qualify for the film credit if the production meets certain criteria. Beginning January 1, 2015, the film production and postproduction incentives will offer qualified productions with minimum budgets of \$500,000 an additional 10% of below-the-line labor costs (not including wages of extras without spoken lines) for services performed in specified upstate counties.

NORTH CAROLINA

NORTH CAROLINA FILM OFFICE

15000 Weston Parkway, Cary, NC 27513, www.ncfilm.com

GUY GASTER, DIRECTOR: 919-447-7800, guy@ncfilm.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--------------------------|-------------------|--|------------------------------|-----------------------------|----------------|---|--|------------------|--------------|----------------|---------------------------|
| Up to 25% ⁽¹⁾ | Rebate | Yes/No/No | \$5M Film or TV Series | \$5M Film \$250k per EPS | \$10M | 1 st \$1M of Each Resident & Nonresident | Yes 4%/No | Yes | Yes | 6/30/2020 | S 744 |

⁽¹⁾ Depending on remaining funds

REQUIREMENTS: **Notify the Film Office of the intent to apply for the rebate;** secure at least 75% of funding prior to submitting an application; and, meet the minimum spending requirement of at least \$5 million in qualifying expenses for feature films. For a television series the total qualifying expenses must average at least \$250,000 per episode.

QUALIFIED SPEND: Qualified spend includes: goods and services leased or purchased in the state that are directly related to preproduction, production, and postproduction; the first \$1 million of compensation paid directly or indirectly to each resident and nonresident on which North Carolina withholding tax has been remitted to the Department of Revenue (DOR); employee fringe contributions; and, per diems, stipends, and living allowances paid for work done in the state. **Payments made to a loan out company (not registered to do business in the state) for services provided in North Carolina are subject to 4% withholding.** In order to qualify payments made to a loan out company registered in North Carolina, 4% of the gross payment must be paid to the Department of Revenue. Qualified spend does not include costs for financing, bonding, and insurance coverage related to the production.

SUMMARY: This program is not administered on a first-come, first-served basis. Priority will be given to productions that are reasonably anticipated to maximize the benefit to North Carolina as determined by factors specified in the program statute. North Carolina offers a rebate equal to 25% of qualifying expenses. There is a program funding cap of \$10 million and the maximum rebate a project may earn is capped at \$5 million for feature films and video or television series (\$250,000 for commercials). In the case of episodic television series, an entire season of episodes is one production. For a television pilot, the pilot itself will count as one season. End credits must include the phrase "Filmed in North Carolina," a logo provide by the North Carolina Film Office and an acknowledgment of the regional film office responsible for the geographic area in which the production was filmed. **Once the Department of Commerce determines the appropriate performance criteria have been met, payment will be issued within 30 days.**

NORTH DAKOTA

NORTH DAKOTA TOURISM DIVISION

1600 E. Century Avenue, Suite 2, Bismarck, ND 58502, www.ndtourism.com

KIM SCHMIDT, MEDIA AND PUBLIC RELATIONS: 701-328-2525, ksschmidt@nd.gov

NORTH DAKOTA DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.

PAYROLL SERVICES

RESIDUALS SERVICES

WORKERS' COMPENSATION

PSL ACCOUNTING SOFTWARE

FINANCIAL SERVICES

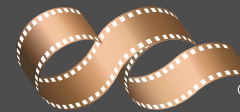
Production Incentive Financing

Productive Incentive Administrative Services

Canadian Production Incentive Services

Production Incentive Consulting

Cast & Crew Onset (Purchasing & Procurement)



Cast & Crew
ENTERTAINMENT SERVICES



| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--|-------------------|--|------------------------------|------------------|--|--------------------------------|--|------------------|--------------|----------------|---------------------------|
| 25% Local Spend & NR Labor 35% Resident Labor | Tax Credit | Yes/No/No | \$5M | > \$300k | \$40M For Biennium Ending 6/30/2015 | Each Resident & Nonresident | No/No | Yes | Yes | None | H 508 |

REQUIREMENTS: Register and submit an application; upon approval, **pay a nonrefundable application fee (not to exceed \$10,000) in the amount equal to 0.5% of the estimated value of the credit provided in the application;** and, meet the minimum in-state spending requirement of more than \$300,000. Within 90 days after the certification of the project as a tax credit eligible production, and, at any time thereafter, upon request of the Director, the company must submit sufficient evidence of reviewable progress.

QUALIFIED SPEND: Qualified spend consists of eligible expenditures made in Ohio related to: resident and nonresident (both above-the-line and below-the-line) wages; accommodations; set construction and operations; editing and related services; photography; sound synchronization; lighting; wardrobe, make-up, and accessories;

film processing; transfer; sound mixing; special and visual effects; music; location fees; costs associated with the accountant's report; and, the purchase or rental of facilities and equipment. Expenditures not listed above should be discussed with the Film Office PRIOR to submitting the application.

SUMMARY: This program is administered on a first-come, first-served basis. The program provides for a fully refundable tax credit against the commercial activity tax or income tax. **Eligible Ohio expenditures and nonresident wages earn a 25% credit, while Ohio resident wages earn 35%.** An eligible motion picture company must spend more than \$300,000 in-state. There is a state funding cap of \$40 million for the biennium ending June 30, 2015 and the maximum credit a project may earn is capped at \$5 million.

OKLAHOMA

OKLAHOMA FILM & MUSIC OFFICE

120 N. Robinson, Suite 600, Oklahoma City, OK 73102, www.okfilmmusic.org

TAVA SOFSKY, DIRECTOR: 405-230-8440, tava.sofsky@travelok.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|----------------------------|-------------------|--|------------------------------|-------------------------------|---|---|--|------------------|--------------|----------------|---------------------------|
| 35% + 2% ⁽¹⁾ | Rebate | Yes/No/No | No Cap | \$50k ⁽²⁾ \$25k | \$5M Per Fiscal Year (7/1 - 6/30) | Each Resident & Above-the-Line Nonresident Loan Out ⁽³⁾ | No/Yes | Yes | Yes | 6/30/2024 | S 318 S 623 H 2580 |

⁽¹⁾ Earn an additional 2% of documented expenditures if a production company spends at least \$20,000 for the use of music created by an Oklahoma resident and recorded in Oklahoma or for the cost of recording songs or music in Oklahoma. ⁽²⁾ Minimum budget of \$50,000 and spend \$25,000 in-state. ⁽³⁾ For nonresidents, only fees paid to above-the-line workers contracted via their loan out company will qualify.

REQUIREMENTS: Apply at least 60 days but not more than 180 days PRIOR to the start of preproduction; provide evidence that 100% of the financing is in place; have a minimum budget of \$50,000; meet the minimum in-state spending requirement of at least \$25,000; and, provide evidence of a certificate of general liability insurance with a minimum coverage of \$1 million and a workers' compensation policy. Loan out companies must be registered with the Secretary of State.

QUALIFIED SPEND: Qualified spend includes: preproduction, production, and postproduction costs in Oklahoma; wages of residents or former residents providing above-the-line or below-the-line services in Oklahoma; and, payments made to nonresident above-the-line personnel (director, producer, Schedule F SAG, and writer) paid via loan out companies registered to do business with the Oklahoma Secretary of State. **No more than 25% of the total rebated amount can be compromised of qualifying above-the-line payments.**

SUMMARY: This program is administered on a first-come, first-served basis. Oklahoma offers a rebate equal to 35% of qualified expenditures. While there is a state funding cap of \$5 million per fiscal year, there is not a limit on the rebate that may be earned by a project. **Rebates will be paid out immediately after all requirements have been met.** Oklahoma also offers a point-of-purchase (POP) sales tax exemption for sales of tangible property or services to a production company for use in an eligible production. However, the production company is not eligible to receive both the rebate payment and an exemption from sales tax. This incentive program is scheduled to sunset on June 30, 2024.

OREGON

GOVERNOR'S OFFICE OF FILM & TELEVISION

123 NE 3rd Ave., Suite 210, Portland, OR 97232, www.oregonfilm.org

TIM WILLIAMS, EXECUTIVE DIRECTOR: 971-254-4020, tim@oregonfilm.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---|-------------------|--|------------------------------|------------------|--|---|--|------------------|-------------------|----------------|---------------------------|
| 20% OPIF ⁽¹⁾ 10% Wage + 6.2% GOLR ⁽²⁾ | Rebate | Yes/No/No | No Cap | \$1M \$1M | \$10M Per Fiscal Year (7/1 - 6/30) NA | Each Resident & Nonresident Earning < \$1M ⁽³⁾ | No/Yes | No | No ⁽⁴⁾ | 12/31/2017 | H 2191 H 3367 |

⁽¹⁾ Oregon Production Investment Fund (OPIF) - 20% on goods and services (not including wages), 10% on wages in Oregon. ⁽²⁾ Greenlight Oregon Labor Rebate (GOLR) - A rebate equal to the Oregon income tax withheld (6.2% maximum). ⁽³⁾ All amounts paid to an individual or loan out company receiving compensation in excess of \$1 million are excluded and not eligible. ⁽⁴⁾ The state may reduce the rebate by the cost incurred in obtaining an outside accounting review, audit, or both.

REQUIREMENTS: For the OPIF rebate, submit an application PRIOR to the start of production; enter into a contract with the Oregon Film & Video Office; and, meet the minimum in-state spending requirement of at least \$1 million. Any costs incurred prior to submitting the application are ineligible. For the GOLR program, submit an application within 10 business days of the start of preproduction in Oregon; and, show that the production company will incur at least \$1 million of qualified expenditures. Commercials may aggregate the cost of each production during the calendar year to meet the minimum spend requirement of \$1 million. **Loan out companies must be registered with the Secretary of State.**

QUALIFIED SPEND: Qualified spend consists of costs incurred during preproduction, production, and postproduction in Oregon including but not limited to: the purchase or rental of equipment; food and lodging; real property and permits; salaries, wages, and

benefits for work done in Oregon; and, payments made to a loan out company earning less than \$1 million for services provided in Oregon.

SUMMARY: This program is administered on a first-come, first-served basis. The OPIF program offers cash rebates of 20% on goods and services and 10% of Oregon-based payroll (including benefits such as vacation, health, and pension). It applies to projects meeting the minimum in-state spending requirement of at least \$1 million for any single project or season of a series. While there is a state funding cap of \$10 million per fiscal year, there is not a limit on the rebate that may be earned by a project. **The GOLR rebate program is essentially a pass-back of the Oregon income tax withheld on qualifying payroll (up to a maximum of 6.2%) and, as such, it is not capped.** This incentive program is scheduled to sunset on December 31, 2017.

PENNSYLVANIA

PENNSYLVANIA FILM OFFICE

400 North Street, 4th Floor, Harrisburg, PA 17120, www.filminpa.com

JANICE COLLIER, FILM TAX CREDIT MANAGER: 717-720-1312, jacollier@pa.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|----------------------------|-------------------|--|------------------------------|------------------------------------|--|--|--|------------------|--------------|----------------|---------------------------|
| 25% + 5% ⁽¹⁾ | Tax Credit | No/Yes/3yr | 20% of the Annual Cap | 60% of Budget Incurred in PA | \$60M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Subject to PA W/H ⁽²⁾ | No/Yes | Yes | Yes | None | S 97 H 761 H 465 |

⁽¹⁾ An additional 5% of total qualified expenditures may be earned for a feature film, TV film, or TV series, which: is intended for a national audience; films at a qualified facility; and, meets the minimum stage filming requirements (MSFR). ⁽²⁾ The collective payments for all principal actors (loan out and/or direct hire) are capped at \$15 million.

REQUIREMENTS: No sooner than 90 days PRIOR to the start of principal photography, submit a complete application; and, **must incur at least 60% of total production expenses in Pennsylvania** (the Department has the discretion to waive the 60% requirement for feature films, TV films, or TV series with at least \$30 million in Pennsylvania production expense and that otherwise qualify for the additional 5%). In order to earn the additional 5% on qualified expenses, productions with at least \$30 million in Pennsylvania production expense must: build at least two sets and shoot a minimum of 15 days at a qualified facility; and, spend or incur at least \$5 million in direct expenditures relating to the use or rental of tangible property at or for services provided by a qualified facility. Productions with less than \$30 million in Pennsylvania production expense must: build at least one set and shoot a minimum of 10 days at a qualified facility; and, spend or incur at least \$1.5 million in direct expenditures relating to the use or rental of tangible property at or for services provided by a qualified facility. Both the applicant and all loan out companies must be registered to do business in Pennsylvania PRIOR to the start of principal photography. The application fee (not to exceed \$10,000) is equal to 0.2% of the tax credit amount and is nonrefundable

unless the application is rejected due to lack of state funds. Loan out companies must be registered with the Department of State.

QUALIFIED SPEND: Qualified spend includes: most costs incurred within Pennsylvania; and, resident and nonresident wages subject to Pennsylvania taxation. **Payments for services provided by principal actors, whether received directly or through a loan out company, are capped at \$15 million collectively.**

SUMMARY: This program is not administered on a first-come, first-served basis. The Film Office will approve projects based on an analysis of certain criteria. Pennsylvania offers a transferable tax credit of up to 30% on nearly all production expenses incurred in Pennsylvania. In any fiscal year, **the department may award up to 30% of the tax credits available in the next fiscal year, 20% of credits available in the second successive fiscal year, and 10% of credits available in the third successive fiscal year.**

PUERTO RICO

DEMETRIO FERNANDEZ-MANZANO, FILM COMMISSIONER: 787-754-6444, demetrio.fernandez@puertoricofilm.pr.gov

PUERTO RICO FILM COMMISSION

355 F. D. Roosevelt Avenue, Suite 101, Hato Rey, PR 00918, www.filminpuertorico.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ACT NUMBER |
|-------------------------------|-------------------|--|------------------------------|------------------|---|--------------------|--|--------------------|--------------|----------------|---------------|
| 40% Spend & Resident Labor | Tax Credit | No/Yes/Yes ⁽¹⁾ | No Cap | \$100k | \$50M ⁽²⁾ Per Fiscal Year | Each Resident | No/No | Yes ⁽⁴⁾ | Yes | 6/30/2018 | 27 |
| 20% NR Labor | Tax Credit | No/Yes/Yes ⁽¹⁾ | No Cap | | No Cap | Each Nonresident | Yes 20% ⁽³⁾ /No | | | | |

⁽¹⁾ Unlimited carry forward. ⁽²⁾ The Secretary of Treasury has the discretion to authorize more than \$50 million per year based on the costs incurred in Film Development Zones. ⁽³⁾ 20% withholding on all amounts paid to nonresidents (cast and crew). ⁽⁴⁾ Per the application form.

REQUIREMENTS: Contact the Film Commissioner in advance to schedule a pre-application conference in order to include preproduction, production, and/or postproduction expenses incurred from the date of the pre-application conference letter in the tax credit calculation; submit an application with the Film Commissioner PRIOR to the end of principal photography; pay a filing fee equal to 1% of the local spend; and, meet the minimum in-state spending requirement of at least \$100,000. There are no principal photography requirements in order to access the production incentive program but if 50% or more of principal photography is shot in Puerto Rico, development costs paid to Puerto Rican resident companies and individuals as well as qualified nonresident individuals will qualify.

QUALIFIED SPEND: Qualified spend includes expenditures related to: budget items paid to a Puerto Rico resident or a Puerto Rico entity; resident and nonresident wages for both above-the-line and below-the-line workers; **development costs (if filming at least 50% of principal photography in Puerto Rico)**, preproduction, production, and postproduction expenditures made in Puerto Rico; and, the filing fee.

SUMMARY: This program is administered on a first-come, first-served basis. Puerto Rico offers a transferable tax credit equal to 40% of the local spend (including resident labor) and 20% of all nonresident labor costs. **Payments representing wages, fringe benefits, per diems, or fees made to any nonresident (individual or loan out, cast or crew) for services rendered in Puerto Rico are subject to 20% withholding.** There is no cap on the amount of credit that can be earned on nonresident labor. While there is a funding cap of \$50 million per fiscal year, there is not a limit on the tax credit that may be earned by a project. The production company should work closely with a tax credit advisor or local producer to guarantee the maximum benefit. Puerto Rico may provide selected film projects with hurricane insurance coverage for the 2015 Hurricane Season at no cost to the production. The incentive program is scheduled to sunset on June 30, 2018.

RHODE ISLAND

RHODE ISLAND FILM AND TELEVISION OFFICE

One Capitol Hill, 3rd Floor, Providence, RI 02908, www.film.ri.gov

STEVEN FEINBERG, EXECUTIVE DIRECTOR: 401-222-3456, steven.feinberg@arts.ri.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------|-------------------|--|------------------------------|-----------------------|----------------------------|--------------------------------|--|------------------|--------------|----------------|---------------------------|
| 25% | Tax Credit | No/Yes/3yr | \$5M ⁽¹⁾ | \$100k ⁽²⁾ | \$15M Per Calendar Year | Each Resident & Nonresident | No/Yes | Yes | Yes | 6/30/2019 | H 7839 H 7323 |

⁽¹⁾ The project cap will automatically be waived for a feature-length film or television series if funds are available at the time of initial certification. ⁽²⁾ In-state production budget.

REQUIREMENTS: PRIOR to the start of production activities in the state, submit an application for initial certification; start principal photography within 180 days of initial certification letter; **film at least 51% of principal photography days in Rhode Island or spend at least 51% of the final production budget in Rhode Island** and employ at least five different individuals (may be either residents/nonresidents, direct hires/loan outs) during the production in Rhode Island; and, meet the minimum in-state production budget of at least \$100,000. In addition to the requirements above, a documentary may also qualify if at least 51% of the total production days (including preproduction and postproduction) occur in Rhode Island. The production company must be incorporated or formed in Rhode Island. Loan out companies must be registered with the Secretary of State.

QUALIFIED SPEND: Qualified spend includes any preproduction, production, and postproduction costs when incurred and paid within the state. Tangible property must be acquired from or through a qualified vendor. Resident and nonresident wages are eligible provided the services are performed in Rhode Island; however, federal and state income tax withholdings do not qualify for the incentive. Other costs that do not qualify include: those incurred prior to filing a completed initial certification application; travel

expenses for persons departing from Rhode Island; expenses attributable to a completion bond; insurance expenses, including workers' compensation; and, any salaries and wages, including related benefits, to individuals who are located and performing services outside the state.

SUMMARY: This program is administered on a first-come, first-served basis. State-certified production costs are eligible for a 25% transferable tax credit provided the requirements listed above are met. Costs must be certified by a Rhode Island certified public accountant. There is a state funding cap of \$15 million per calendar year and **the maximum credit a project may earn is capped at \$5 million, which will automatically be waived for a feature-length film or television series if funds are available at the time of initial certification.** The Motion Picture Production Tax Credit program and the Music and Theatrical Production Tax Credit program may not award more than \$15 million combined in any given year. Musical and Theatrical Stage (MTS) productions may earn a transferable tax credit equal to 25% of the total production, performance, and transportation expenditures as defined. Each MTS production is limited to a credit not to exceed \$5 million. Both incentive programs are scheduled to sunset on June 30, 2019.

SOUTH CAROLINA

SOUTH CAROLINA FILM COMMISSION

1205 Pendleton Street, Room 225, Columbia, SC 29201, www.filmsc.com

TOM CLARK, FILM COMMISSIONER: 803-737-0498, tclark@scprt.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--|-------------------|--|------------------------------|------------------|---|--|--|------------------|--------------|----------------|---------------------------|
| 30% Supplier 25% Resident Labor 20% NR Labor | Rebate | Yes/Yes/No | No Cap | \$1M | Yes ⁽¹⁾ Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Earning < \$1M | Yes 2%/Yes | Yes | No | None | H 3152 S 163 |

⁽¹⁾ The minimum fiscal year funding for the supplier incentive is \$5.5 million, any funds not awarded roll over to the following year; the wage rebate receives funding of \$10 million per fiscal year.

REQUIREMENTS: PRIOR to the start of principal photography, submit the Qualifying Motion Picture Application to the Film Commission; start activities within 60 days of Qualifying Production Letter (QPL); **start principal photography within 30 calendar days of the date specified in the QPL**; and, meet the minimum in-state spending requirement of at least \$1 million in a single taxable year. To receive the sales tax exemption, the production company must spend at least \$250,000 within a 12-month period. Loan out companies must be registered with either the Department of Revenue or Secretary of State.

QUALIFIED SPEND: Qualified spend includes: salaries and wages of residents and nonresidents earning less than \$1 million in compensation; production expenditures made to South Carolina vendors; and, preproduction expenditures incurred up to 60 days PRIOR to principal photography. **Payments made to a loan out company, for services provided in South Carolina, are subject to 2% withholding.**

SUMMARY: This program is not administered on a first-come, first-served basis. Priority will be given to productions that hold the most promise for benefiting South Carolina. South Carolina offers a Supplier Rebate equal to 30% of production expenditures purchased from South Carolina suppliers. Generally, a South Carolina supplier is an entity that has: a full-time employee within the state; a physical location in the state other than a post office box; registered to pay South Carolina income and withholding taxes; registered to do business in the state; and, an intent to be permanently domiciled in the state. In addition, a wage rebate of 25% and 20% is offered on the wages of residents and nonresidents, respectively. **The wage rebate may be assigned to a single financial institution helping producers close their financing arrangements.** A production company planning to spend \$250,000 in South Carolina within 12 consecutive months may receive an exemption from all sales, use, and accommodation taxes on goods and services purchased, leased, or rented for the production by the production company. This exemption ranges from approximately 6% to 14% depending on the location.

SOUTH DAKOTA

SOUTH DAKOTA FILM OFFICE

711 E. Wells Avenue, Pierre, SD 57501, www.filmsd.com

KATLYN RICHTER, MEDIA RELATIONS REPRESENTATIVE: 605-773-3301, katlyn.richter@state.sd.us

SOUTH DAKOTA DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.



NOW WE PAY IT FORWARD

PRODUCTION INCENTIVE FINANCING AVAILABLE

Contact Deirdre Owens at 818-972-3201
or deirdre.owens@castandcrew.com



Cast & Crew
FINANCIAL SERVICES

TENNESSEE

TENNESSEE FILM, ENTERTAINMENT, & MUSIC COMMISSION (TFEMC)

312 Rosa L Parks Ave., 26th Floor, Nashville, TN 37243, www.tn.gov/film

BOB RAINES, EXECUTIVE DIRECTOR: 615-741-3456, tn.film@tn.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------|-------------------|--|------------------------------|------------------|--|--|--|------------------|--------------|----------------|---------------------------|
| 25% | Grant | Yes/No/No | No Cap | \$200k | \$2M ⁽¹⁾ Per Fiscal Year (7/1 - 6/30) | 1 st \$250k of Each Resident | No/Yes | Yes | Yes | None | S 3513 H 3839 |

⁽¹⁾ Additional funds may be allocated subject to appropriation by the legislature.

REQUIREMENTS: Apply, on Form A and Form A: Annex I, to the TFEMC for a Certificate of Conditional Eligibility anytime within four months PRIOR to the start of principal photography; enter into a grant contract with the Department of Economic and Community Development (DECD); begin principal photography within 120 days from the effective date in the grant contract; meet the minimum in-state spending requirement of at least \$200,000 per production/per episode; **incur all expenditures within a 12-month period;** upon the completion of principal photography, post a notice in local newspapers notifying the public of the need to file creditor claims with the production company by a specified date; and, within 18 months of the effective date in the grant contract, submit an independent accountant's report using Agreed Upon Procedures. Loan out companies must be registered with the Secretary of State.

QUALIFIED SPEND: Qualified spend includes expenditures related to: costs that are clearly and demonstrably incurred in Tennessee during preproduction, production, and postproduction; goods and services used in the state and purchased from a Tennessee

vendor or resident; and, the first \$250,000 in wages, salaries, fees, per diem, and fringe benefits paid to a Tennessee resident (whether paid to an individual or a loan out company). **Any expenditure incurred before the effective date in the fully executed contract will not qualify.**

SUMMARY: This program is not administered on a first-come, first-served basis. The Tennessee Department of Economic and Community Development Grants & Loans Committee shall have sole discretion of awarding the grant. Tennessee offers a 25% grant on qualified in-state expenditures. Upon review and approval from the DECD Grants & Loans Committee, production companies enter into a grant contract with the Tennessee DECD. In order to receive the production incentive, the production company must enter into a payment contract with the state and will also be required to submit: an invoice for 25% of the amount of adjusted qualified in-state expenditures listed in the independent auditor's report; a substitute W-9; and, an ACH form along with the required voided check or deposit slip. **Payment of the incentive will be made by direct deposit.**

TEXAS

OFFICE OF THE GOVERNOR, TEXAS FILM COMMISSION

1100 San Jacinto Blvd., Suite 3-410, Austin, TX 78701, www.texasfilmcommission.com

HEATHER PAGE, DIRECTOR: 512-463-9200, film@governor.state.tx.us

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|--|-------------------|--|------------------------------|---|--|--|--|------------------|--------------------|----------------|---------------------------|
| 5% - 20% ⁽¹⁾ + 2.5% ⁽²⁾ | Grant | Yes/No/No | No Cap | \$250k Film/TV \$100k Comm/ Video | \$95M For Biennium Ending 8/31/2015 | 1 st \$1M of Each Resident | No/No | Yes | Yes ⁽³⁾ | None | H 873 |

⁽¹⁾ Projects with in-state spend of: \$250,000 but less than \$1 million earn 5%; \$1 million but less than \$3.5 million earn 10%; and, \$3.5 million or more earn 20%. ⁽²⁾ 25% of total shooting days must take place in an Underutilized or Economically Distressed Area (UEDA) of Texas to earn an additional 2.5%. ⁽³⁾ A CPA audit is required if the grant is \$300,000 or more.

REQUIREMENTS: Electronically submit an application package to Texas Film Commission no earlier than 60 days and no later than 5pm Central Time five business days PRIOR to the first day of principal photography; **complete at least 60% of shooting days in Texas; at least 70% of the total number of paid crew and at least 70% of the total number of paid cast, including extras, must be Texas residents;** and, meet the minimum in-state spending requirement of at least \$250,000 for film, television, and visual effects projects for film or television (\$250,000 per season for episodic television series) or \$100,000 for commercials, video games, and visual effects projects for commercials.

QUALIFIED SPEND: Qualified spend includes: the first \$1 million of wages paid to each Texas resident for work performed in Texas; and, payments made to companies domiciled in Texas for goods and services used in Texas that are directly attributable to the physical production. **Expenditures related to gross wages; per diem; employer paid FICA, SUI, and FUI; pension health and welfare contributions; and, paid vacation and holiday are all included for the purposes of calculating the \$1 million wage limitation.**

SUMMARY: This program is not administered on a first-come, first-served basis. The film commission will assess the economic impact of the project. Texas offers qualified projects a rebate of 5% - 20% based on the total Texas spending criteria set out above (which includes the first \$1 million of each resident's wage). Projects that complete at least 25% of their total shooting days in the UEDA of Texas are eligible to receive an additional 2.5% of total in-state spending. **The additional 2.5% applies to all eligible spending in all areas of Texas; it is not restricted to the spending in the UEDA.** A qualifying reality television or talk show project may earn 2.5% for the UEDA incentive (if qualified) in addition to: 5% if total Texas spending is at least \$250,000 but less than \$1 million; or, 10% if total Texas spending is \$1 million or more. A qualifying commercial may earn 2.5% for the UEDA incentive (if qualified) in addition to: 5% if total Texas spending is at least \$100,000 but less than \$1 million; or 10% of total Texas spending is \$1 million or more.

SAN ANTONIO, TX

SAN ANTONIO FILM COMMISSION

203 S. St. Mary's, 2nd Floor, San Antonio, TX 78205, www.filmsanantonio.com

DREW MAYER-OAKES, DIRECTOR: 210-207-6730, drew@filmsanantonio.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------|-------------------|--|------------------------------|------------------|---|--|--|------------------|--------------|---------------------|---------------------------|
| 2.5% | Rebate | Yes/No/No | No Cap | \$250k Film/TV | \$250k ⁽¹⁾ Per Fiscal Year (10/1 - 9/30) | 1 st \$1M of Each Resident | No/No | Yes | No | None ⁽²⁾ | See Guidelines |

⁽¹⁾ Any funds not awarded may be rolled over to the next year and will increase the cap accordingly. ⁽²⁾ Subject to yearly review.

REQUIREMENTS: Apply PRIOR to the twelfth day of principal photography; be approved for the Texas Moving Image Industry Incentive Program (TMIIP) PRIOR to the second day of principal photography; secure financing for production before applying; **80% of all principal photography days must occur within the Greater San Antonio Metropolitan area**, defined as within the counties of Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina, and Wilson; principal production office and primary hotel accommodations must be within City of San Antonio city limits; include required logo and text in the screen credits; and, submit other documentation as required.

QUALIFIED SPEND: Qualified spend includes: the first \$1 million of wages paid to each Texas resident for work performed in Texas; and, payments made to companies domiciled in Texas for goods and services used in Texas that are directly attributable to the

physical production. Expenditures related to gross wages; per diem; employer paid FICA, SUI, and FUI; pension health and welfare contributions; and, paid vacation and holiday are all included for the purposes of calculating the \$1 million wage limitation.

SUMMARY: This program is not administered on a first-come, first-served basis. The Supplemental San Antonio Film Incentive (SSAI) committee will assess the economic impact of the project, the benefit to the city for tourism, and whether the production portrays San Antonio in a positive light. Qualified projects will receive a rebate equal to 2.5% of approved Texas spend (as verified by the Texas Film Commission). **This incentive is in addition to the TMIIP provided by the state and will be distributed after the TMIIP has been awarded.**

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------------------|-------------------|--|------------------------------|-------------------------------------|--|---|--|------------------|--------------|---------------------|---------------------------|
| 20% or 20% + 5% | Tax Credit | Yes/No/No | No Cap | ≥ \$200k \$1M ⁽¹⁾ | \$6.79M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident ⁽¹⁾ | No/Yes | Yes | Yes | None ⁽²⁾ | S 14 H 99 |

¹⁾ For nonresidents, only the Utah withholding tax paid to the State of Utah is eligible for the incentive. ⁽²⁾ The program will be reviewed on or before October 1, 2019 and every five years thereafter.

REQUIREMENTS: Apply PRIOR to the start of principal photography; demonstrate the project is 100% financed and there is a plan for distribution; meet the minimum in-state spending requirement of at least \$200,000; and, see that at least 85% of the cast and crew (excluding extras) are Utah residents. Productions spending \$1 million or more in-state may earn 20% without the cast and crew restriction. **There are two options available for a production to earn the additional 5% for a total of 25%.** Option 1: meet the minimum in-state spending requirement of at least \$1 million and see that at least 85% of the cast and crew (excluding extras, five principal cast members, two creative/executive producers, and a director) are Utah residents. Option 2: meet the minimum in-state spending requirement of \$7.5 million PLUS one of the following: see that at least 70% of the cast and crew (excluding extras, five principal cast members, two creative/executive producers, and a director) are Utah residents; verify that at least 51% of the project dollars left in the state were spent in rural areas of Utah; or, provide significant promotional opportunity for the State of Utah as mutually agreed upon. Loan out companies must be registered with the Department of Commerce.

QUALIFIED SPEND: Qualified spend includes expenditures made in Utah and subject to: corporate, business income or franchise tax for a Utah business; personal income tax for a nonresident; or, sales and use tax, notwithstanding any sales and use tax exemption allowed. **Payments to a loan out company registered to do business in Utah may qualify but only to the extent of the amount of withholding made on payments between the loan out and the loaned out individual.**

SUMMARY: This program is administered on a first-come, first-served basis. Utah offers a 20% fully refundable tax credit with the opportunity to earn an additional 5% subject to meeting certain requirements listed above. Utah uses the term “dollars left in the state” to define qualifying expenditures. As such, this term limits the amount that qualifies on payments made to loan outs and nonresident workers to the income tax paid or withheld from such payments. While there is a state funding cap of \$6.79 million per fiscal year, there is not a limit on the tax credit that may be earned by a project. Any unused funds at the end of the fiscal year will roll over to the next year.

VERMONT

AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT

One National Life Dr., 6th Floor, Montpelier, VT 05620, accd.vermont.gov

LISA GOSSELIN, COMMISSIONER, DEPARTMENT OF ECONOMIC DEVELOPMENT: 802-272-1720, lisa.gosselin@state.vt.us

VERMONT DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.



**WE KNOW WHERE TAX
INCENTIVES ARE HIDDEN.**

PRODUCTION INCENTIVE ADMINISTRATION AVAILABLE.

Contact Joe Bessacini at 818-480-4427
or joe.bessacini@castandcrew.com

VIRGINIA

VIRGINIA FILM OFFICE

901 E. Byrd Street, Richmond, VA 23219, www.filmvirginia.org

ANDREW EDMUNDS, DIRECTOR: 800-854-6233, aedmunds@virginia.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---|-------------------|--|---|------------------|--|---|--|------------------|--------------|----------------|------------------------------------|
| 15% or 20% ⁽¹⁾ +10% or 20% ⁽²⁾ | Tax Credit | Yes/No/No | At the Discretion of the Film Office | \$250k \$250k | \$6.5M Per Fiscal Year (7/1 - 6/30) \$4.8M ⁽⁴⁾ | 1 st \$1M of Each Resident & Nonresident | No/No | Yes | Yes | 12/31/2018 | H 861 H 460 S 1320 H 1301 |
| Discretionary ⁽³⁾ | Grant | NA | | \$0 | | | No/No | Yes | Yes | None | |

⁽¹⁾ 20% if the production is filmed in an economically distressed area of Virginia. ⁽²⁾ An additional 10% or 20% of resident wages if total production costs are between \$250,000 to \$1 million or exceed \$1 million, respectively. ⁽³⁾ The amount of the grant is determined by the Governor. ⁽⁴⁾ \$4.8 million for biennium ending June 30, 2016.

REQUIREMENTS: For the tax credit program, **apply on forms prescribed by the Film Office at least 30 days PRIOR to the start of principal photography in Virginia;** enter into an agreement with the Film Office; meet the minimum in-state spending requirement of at least \$250,000; and, show a best faith effort was made to film at least 50% of principal photography in Virginia. For the grant program, apply at least 30 days PRIOR to principal photography; publish a joint public announcement with the Governor; demonstrate 100% financing is in place at the time the grant is requested; and, commence physical production within 12 months following the submission of the application.

QUALIFIED SPEND: Qualified spend includes: goods and services leased or purchased in Virginia (**for goods with a purchase price of \$25,000 or more, the eligible amount is the purchase price less the fair market value at the time the production is completed**); for the tax credit program, the first \$1 million of salary paid to each resident or nonresident or their loan out company; and, for the grant program, the first \$1 million paid to each resident.

SUMMARY: This program is administered on a first-come, first-served basis. Virginia offers a refundable tax credit equal to 15% or 20% of qualifying expenditures in Virginia including the first \$1 million of salary for each individual whether a resident or nonresident. An additional refundable credit equal to 10% of the total aggregate payroll for Virginia residents may be earned when total production costs in Virginia are at least \$250,000 but not more than \$1 million. This additional credit is increased to 20% of the aggregate payroll for Virginia residents when total production costs in Virginia exceed \$1 million. A production may also earn an additional 10% of payroll paid to Virginia residents employed for the first time as actors or crew members. If a production continues for more than one year, a separate application for each tax year the production continues must be submitted. **Virginia also offers a grant program that is completely discretionary.**

WASHINGTON

WASHINGTON FILMWORKS (WF)

1411 Fourth Avenue, Suite 420, Seattle, WA, 98101, www.washingtonfilmworks.org

AMY LILLARD, EXECUTIVE DIRECTOR: 206-264-0667, amy@washingtonfilmworks.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|---|-------------------|--|------------------------------|---|-----------------------------|---|--|------------------|--------------|----------------|---------------------------|
| Up to 30% or 35% ⁽¹⁾ Up to 15% BTL NR Labor ⁽²⁾ | Rebate | Yes/No/No | No Cap | \$500k Feat \$300k Per TV EPS \$150k Comm | \$3.5M Per Calendar Year | Each Resident & BTL Nonresident ⁽²⁾ | No/No | Yes | No | 6/30/2017 | S 5539 |

⁽¹⁾ See Summary below. ⁽²⁾ Productions with a workforce made up of at least 85% Washington residents may earn a rebate of up to 15% on the labor costs of each nonresident BTL worker earning \$50,000 or less.

REQUIREMENTS: PRIOR to the start of principal photography, apply for and receive a Funding Letter of Intent and enter into a contract with WF; begin principal photography within 120 days (45 days for commercials) after receiving the Funding Letter of Intent; sign and return a WF production agreement within two weeks of the Funding Letter of Intent's date; meet the minimum in-state spending requirement of \$500,000 for "motion pictures", \$300,000 per episode for television series, or \$150,000 for commercials; submit the Completion Package within 60 days (45 days for commercials) of completing principal photography; file a completed survey with the Department of Commerce; and, provide WF with promotional materials and a viewable copy of the final production. **Postproduction budgets may not exceed 30% of the total qualified Washington state spend.** There is a \$5,000 administrative review fee for motion pictures and episodic series (fee applies to the review of each episode) and \$2,500 for commercial productions.

QUALIFIED SPEND: Qualified spend consists of: expenditures incurred in Washington during preproduction, production, and postproduction; salaries or wages, fringe benefits, health insurance, and retirement benefits of residents; and, labor costs of certain below-

the-line nonresident workers earning \$50,000 or less if the production's workforce consists of at least 85% Washington residents. **Compensation for nonresident above-the-line workers, production assistants, executive assistants, or extras will not qualify.** Preproduction expenditures incurred up to three months prior to the date of the Funding Letter of Intent for motion pictures/TV projects (six weeks for commercials) will be considered for funding assistance.

SUMMARY: This program is not administered on a first-come, first-served basis. Funding is based on the economic opportunities for Washington communities and businesses. Washington offers a rebate of up to 30% for "motion pictures" (as defined) and television series with less than six episodes; up to 35% for television series with at least six episodes; and, up to 15% for commercial productions. **Commercial applicants who have not worked in Washington State previously and are using a Washington based production company are eligible for a one-time rebate of 25%.** This incentive program is scheduled to sunset on June 30, 2017.

WEST VIRGINIA

WEST VIRGINIA FILM OFFICE

90 MacCorkle Avenue S.W., South Charleston, WV 25303, www.wvfilm.com

PAMELA HAYNES, DIRECTOR: 304-957-9382, pamela.j.haynes@wv.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|----------------------------|-------------------|--|------------------------------|------------------|---|---|--|------------------|--------------|----------------|---------------------------|
| 27% + 4% ⁽¹⁾ | Tax Credit | No/Yes/2yr | No Cap | \$25k | \$5M Per Fiscal Year (7/1 - 6/30) | Each Resident & Nonresident Subject to WV Tax | No/Yes | Yes | Yes | None | S 610 H 2514 |

⁽¹⁾ Earn an additional 4% of total qualified spend if 10 or more West Virginia residents (talent or above-the-line/below-the-line crew) are employed full-time during principal photography.

REQUIREMENTS: File an application with the Film Office; **begin principal photography within 120 days of approval**; meet the minimum in-state spending requirement of at least \$25,000; provide verification of West Virginia residency if claiming the additional 4%; and, agree that the project adhere to the provisions of the statute and legislative rules, including that the project does not (a) contain filming of sexually explicit conduct of minors, (b) contain obscene matter or sexually explicit conduct as defined by West Virginia law, and (c) contain content that portrays the state in a significantly derogatory manner. Loan out companies must be registered with the Secretary of State and the State Tax Department.

QUALIFIED SPEND: Qualified spend includes: direct production expenditures incurred in West Virginia or with a West Virginia vendor; payment of wages, fees, and costs related to fringe benefits provided for talent, management, or labor to a person that is subject to West Virginia income tax; and, payments to a loan out corporation if subject to West Virginia income tax.

SUMMARY: This program is administered on a first-come, first-served basis. The West Virginia incentive allows for a 27% transferable tax credit. An additional 4% may be earned on the total qualified expenditures if 10 or more West Virginia residents (including talent and above-the-line and below-the-line crew) are employed full-time during principal photography. If the jobs threshold is met for purposes of the 4% extra allowance, then **the additional tax credit applies to all qualified expenditures attributable to the qualified project and is not limited to costs incurred only during principal photography**. The minimum spend is \$25,000 and all claims must be accompanied by an expense verification report prepared by an independent certified public accountant following agreed upon procedures. While there is a funding cap of \$5 million per fiscal year, there is not a limit on the tax credit that may be earned by a project. The Tax Commissioner shall not seek recourse against the transferee for any portion of the credit that may be subsequently disqualified. In addition to the tax credits, an applicant may also take advantage of a separate incentive that allows an exemption from the 6% state sales tax on qualified purchases and rentals. Local hotel and occupancy taxes are also exempted on stays in excess of 30 consecutive days per person/room (exemption begins on the 31st day).

WISCONSIN

FILM WISCONSIN

211 N. Broadway Street, Green Bay, WI 54303, www.filmwisconsin.net

JAY SCHILLINGER, PRESIDENT: 920-360-8827, info@filmwisconsin.net

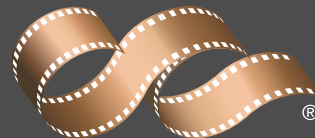
WISCONSIN DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.



UPDATE ME

PLEASE INCLUDE: **YOUR NAME, COMPANY NAME, TITLE AND PHONE NUMBER.**

Send an email to productionincentives@castandcrew.com
with the word "UPDATES" in the subject field to receive the latest
motion picture and television production incentive updates.



Cast & Crew
FINANCIAL SERVICES

WYOMING

WYOMING FILM OFFICE

5611 High Plains Road, Cheyenne, WY 82007, www.filmwyoming.com

MICHELL HOWARD, FILM OFFICE MANAGER: 307-777-3400, michell.howard@wyo.gov

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | CPA AUDIT | SUNSET DATE | ENACTED BILL NUMBER |
|-----------|-------------------|--|------------------------------|------------------|---|--------------------|--|------------------|--------------|----------------|-------------------------------|
| 12% - 15% | Rebate | Yes/No/No | No Cap | \$200k | \$900k For Biennium Ending 6/30/2016 | Each Resident | No/No | Yes | No | 6/30/2016 | S 41 H 71 H 45 H 127 |

REQUIREMENTS: Enter into an agreement with Wyoming Travel & Tourism; and, meet the minimum in-state spending requirement of at least \$200,000.

QUALIFIED SPEND: Qualified spend includes expenditures for: goods purchased or leased or services purchased, leased or employed from a vendor or supplier who is located and doing business in the state; rents for real and personal property located in Wyoming; and, salaries and employment benefits for services performed in Wyoming by residents of Wyoming.

SUMMARY: This program is administered on a first-come, first-served basis. The production must meet the minimum in-state spending requirement of \$200,000 and **use a storyline that is set in Wyoming to earn the full 15% cash rebate.** Otherwise, the production may **earn 14% by providing behind the scenes footage highlighting Wyoming** locations used in the project or **13% by using Wyoming props and product placement.** While there is a state funding cap of \$900,000 per biennium, there is not a limit on the rebate that may be earned by a project. Unused funds may roll over to the next year. This incentive program is scheduled to sunset June 30, 2016.



INTERNATIONAL

PROJECTS AT-A-GLANCE: INTERNATIONAL

| COUNTRY | ANIMATION | AWARD SHOWS | COMMERCIALS | DOCUMENTARIES | GAME SHOWS | INDUSTRY/ CORPORATE TRAINING | INFOMERCIALS | INTERACTIVE MEDIA & VIDEO GAMES | INTERACTIVE WEBSITE | INTERNET BROADCASTS | INTERSTITIALS | MUSIC VIDEOS | NEWS | REALITY SHOWS | SPORTING EVENTS | TALK SHOWS | TRAILERS | VISUAL EFFECTS | WEBISODES |
|----------------------------|-----------|-------------|-------------|---------------|------------|------------------------------------|--------------|---------------------------------------|------------------------|------------------------|---------------|-----------------|------|------------------|--------------------|------------|----------|-------------------|-----------|
| Australia | Yes | No | No | Yes | No | No | No | No | No | Yes | No | No | No | (2) | No | No | (9) | Yes | No |
| Canada -Federal | Yes | No | No | Yes | No | No | No | No | No | (1) | No | No | No | No | No | No | No | (1) | No |
| Alberta | Yes | No | No | Yes | No | No | No | (3) | Yes | Yes | No | Yes | No | Yes | (1) | No | (1) | Yes | Yes |
| British Columbia | Yes | No | No | Yes | No | No | No | No | No | No | Yes | No | No | (5) | No | No | No | Yes | Yes |
| Manitoba | Yes | No | No | Yes | No | No | No | No | No | (1) | No | No | No | (1) | No | No | No | Yes | Yes |
| Newfoundland & Labrador | (6) | No | No | Yes | No | No | No | No | No | (1) | No | No | No | (1) | No | No | No | No | (1) |
| Nova Scotia | Yes | No | No | Yes | No | No | No | No | No | Yes | No | Yes | No | No | No | No | No | Yes | Yes |
| Ontario | Yes | No | No | Yes | No | No | No | (7) | (7) | No | No | No | No | No | No | No | No | Yes | (7) |
| Québec | Yes | No | No | Yes | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Yukon | (1) | No | (4) | Yes | No | No | No | (1) | (1) | No | No | Yes | No | Yes | No | No | (1) | Yes | (1) |

(1) Case-by-case; contact the film office to evaluate project criteria (2) May qualify for the Location or PDV Offset (3) Interactive Media qualifies; video games do not qualify (4) Qualifies for the Travel Rebate only (5) Contact film office for definition (6) Qualifies if there is a Canadian Broadcasting License (7) May qualify for the Ontario Interactive Digital Media Tax Credit; contact Ontario Media Development Corporation (8) Qualifies if it meets the requirements for feature films or TV series (9) Qualifies only if in conjunction with a qualifying project (10) Qualifies if scripted and fictional (11) Qualifies for PDV grant (12) Must be a feature film, short film, or "TV" movie; episodic series are not eligible (13) E-learning.

PROJECTS AT-A-GLANCE: INTERNATIONAL

| COUNTRY | ANIMATION | AWARD SHOWS | COMMERCIALS | DOCUMENTARIES | GAME SHOWS | INDUSTRY/ CORPORATE TRAINING | INFOMERCIALS | INTERACTIVE MEDIA & VIDEO GAMES | INTERACTIVE WEBSITE | INTERNET BROADCASTS | INTERSTITIALS | MUSIC VIDEOS | NEWS | REALITY SHOWS | SPORTING EVENTS | TALK SHOWS | TRAILERS | VISUAL EFFECTS | WEBISODES |
|--------------------|-----------|-------------|-------------|---------------|------------|------------------------------------|--------------|---------------------------------------|------------------------|------------------------|---------------|-----------------|------|------------------|--------------------|------------|----------|-------------------|-----------|
| Colombia | Yes | No | No | Yes | No | No | No | No | No | (12) | No | No | No | No | No | No | No | (9) | No |
| Croatia | Yes | No | No | Yes | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Czech Republic | (8) | No | No | Yes | No | No | No | No | No | No | No | No | No | No | No | No | No | (9) | No |
| Dominican Republic | Yes | No | No | Yes | No | No | No | No | No | No | No | Yes | No | Yes | No | No | No | Yes | No |
| France | Yes | No | No | No | No | No | No | No | No | (10) | No | Yes | No | No | No | No | No | Yes | (10) |
| Germany | Yes | No | No | Yes | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Hungary | Yes | No | No | No | No | No | No | (1) | No | No | No | No | No | No | No | No | No | Yes | No |
| Iceland | Yes | No | No | Yes | No | No | No | No | No | No | No | No | No | No | No | No | No | Yes | (8) |
| Italy | Yes | No | No | Yes | No | No | No | No | No | No | No | No | No | No | No | No | No | Yes | No |
| Malaysia | Yes | No | Yes | Yes | Yes | No | No | No | No | No | No | No | No | Yes | No | No | Yes | Yes | No |

(1) Case-by-case; contact the film office to evaluate project criteria (2) May qualify for the Location or PDV Offset (3) Interactive Media qualifies; video games do not qualify (4) Qualifies for the Travel Rebate only (5) Contact film office for definition (6) Qualifies if there is a Canadian Broadcasting License (7) May qualify for the Ontario Interactive Digital Media Tax Credit; contact Ontario Media Development Corporation (8) Qualifies if it meets the requirements for feature films or TV series (9) Qualifies only if in conjunction with a qualifying project (10) Qualifies if scripted and fictional (11) Qualifies for PDV grant (12) Must be a feature film, short film, or "TV" movie; episodic series are not eligible (13) E-learning.

PROJECTS AT-A-GLANCE: INTERNATIONAL

| COUNTRY | ANIMATION | AWARD SHOWS | COMMERCIALS | DOCUMENTARIES | GAME SHOWS | INDUSTRY/ CORPORATE TRAINING | INFOMERCIALS | INTERACTIVE MEDIA & VIDEO GAMES | INTERACTIVE WEBSITE | INTERNET BROADCASTS | INTERSTITIALS | MUSIC VIDEOS | NEWS | REALITY SHOWS | SPORTING EVENTS | TALK SHOWS | TRAILERS | VISUAL EFFECTS | WEBISODES |
|----------------|-----------|-------------|-------------|---------------|------------|------------------------------------|--------------|---------------------------------------|------------------------|------------------------|---------------|-----------------|------|------------------|--------------------|------------|----------|-------------------|-----------|
| Mexico | Yes | No | Yes | Yes | No | Yes (13) | No | Yes | No | No | No | No | No | No | No | No | No | Yes | No |
| New Zealand | Yes | No | No | Yes | (1) | No | No | No | No | Yes | No | No | No | Yes | No | No | (9) | (11) | Yes |
| South Africa | Yes | No | No | Yes | No | No | No | Yes | No | No | No | No | No | No | No | No | No | No | No |
| South Korea | No | No | No | Yes | No | No | No | No | No | No | No | No | No | Yes | No | No | No | No | Yes |
| United Kingdom | Yes | No | No | Yes | No | No | No | No | No | No | No | No | No | No | No | No | No | Yes | No |

(1) Case-by-case; contact the film office to evaluate project criteria (2) May qualify for the Location or PDV Offset (3) Interactive Media qualifies; video games do not qualify (4) Qualifies for the Travel Rebate only (5) Contact film office for definition (6) Qualifies if there is a Canadian Broadcasting License (7) May qualify for the Ontario Interactive Digital Media Tax Credit; contact Ontario Media Development Corporation (8) Qualifies if it meets the requirements for feature films or TV series (9) Qualifies only if in conjunction with a qualifying project (10) Qualifies if scripted and fictional (11) Qualifies for PDV grant (12) Must be a feature film, short film, or "TV" movie; episodic series are not eligible (13) E-learning.

INCENTIVES AT-A-GLANCE: INTERNATIONAL

| COUNTRY | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP* | MINIMUM SPEND* | FUNDING CAP* | QUALIFIED LABOR | LOAN OUT WITHHOLDING/REGISTRATION | AUDIT | SUNSET DATE | LEGISLATION |
|------------------|--|--|---|----------------------------|---|----------------------------|---|-----------------------------------|-------|-------------|--|
| Australia | 40% or 20% PO* 30% PDV* 16.5% LO* | Tax Credit Tax Credit Tax Credit | Yes/No/No Yes/No/No Yes/No/No | No Cap No Cap No Cap | \$500k/\$1M* \$500k* \$15M* | No Cap No Cap No Cap | Each Resident & Nonresident* | No/No | Yes | None | ITAA 1997 - Division 376 |
| Canada - Federal | 16% Resident Labor | Tax Credit | Yes/No/No | No Cap | > \$1M Feature* ≥ 30 min > \$200k* < 30 min > \$100k* | No Cap | Each Resident | No/No | No | None | Section 125.5 Regulation Section 9300 |
| Alberta | 25% Stream II + 1%* | Grant | Yes/No*/No | \$5M | > \$50k With Commercial License | No Cap | Each Resident | No/No | Yes* | None | See Guidelines |
| British Columbia | 33% Resident Labor + 6% Regional + 6% Distant + 17.5% DAVE | Tax Credit | Yes/No/No | No Cap | > \$1M Feature* ≥ 30 min > \$200k* < 30 min > \$100k* | No Cap | Each Resident | No/No | No | None | Part 5 BC |
| Manitoba | 45% - 65% Labor or 30% Spend | Tax Credit Tax Credit | Yes/No/No Yes/No/No | No Cap No Cap | \$0 \$0 | No Cap No Cap | Each Resident & BTL "Deemed" Nonresident* | No/No | No* | 12/31/16 | Section 7.5(1) - 7.9 |

*Amounts shown are in local currency. See country detail page for further explanation and local currency.

INCENTIVES AT-A-GLANCE: INTERNATIONAL

| COUNTRY | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP* | MINIMUM SPEND* | FUNDING CAP* | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | AUDIT | SUNSET DATE | LEGISLATION |
|-------------------------|---|-------------------|---|----------------------------|---|--------------|--------------------------------------|---------------------------------------|-------|-------------|--|
| Newfoundland & Labrador | Lesser of: 40% Eligible Labor or 25% Prod Costs | Tax Credit | Yes/No/No | \$4M Per 12-Month Period | \$0 | No Cap | Each Resident & "Deemed" Nonresident | No/No | Yes* | 12/31/18 | Section 45 Reg. 3/99 |
| | | Tax Credit | Yes/No/No | | \$0 | No Cap | | | | | |
| Nova Scotia | 50% Resident Labor +10% Regional Bonus* + 5% Frequent Film* | Tax Credit | Yes/No/No | No Cap | \$0 | No Cap | Each Resident | No/No | Yes* | 12/31/20 | Ch 217 Sec 47 Bill No. 27 (2011) Bill No. 49 (2014) Reg. 15/96 Reg. 249/11 |
| Ontario | 25% OPSTC* | Tax Credit | Yes/No/No | No Cap | \$1M Feature* > 30 min ≥ \$200k* ≤ 30 min ≥ \$100k* | No Cap | Each Resident | No/No | No | None | Section 92 Reg. 37/09 Reg. 70/10 |
| | +20% OCASE* | Tax Credit | Yes/No/No | No Cap | | No Cap | Each Resident | No/No | No | None | |
| Québec | 20% +16% CASE* | Tax Credit | Yes/No/No | No Cap | > \$1M Feature* > 30 min > \$200k* ≤ 30 min > \$100k* | No Cap | Each Resident & Nonresident* | No/No | No | None | 1129.4.0.5 - 1129.4.0.8 |
| Yukon | Up to 50% Travel Costs* Up to 25% BTL Resident & Spend* Up to 25% Trainer Wages | Rebate | Yes/No/No | No Cap* | \$0 | No Cap* | Each BTL Resident | No/No | No | None | NA |

*Amounts shown are in local currency. See country detail page for further explanation and local currency.

INCENTIVES AT-A-GLANCE: INTERNATIONAL

| COUNTRY | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP* | MINIMUM SPEND* | FUNDING CAP* | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | AUDIT | SUNSET DATE | LEGISLATION |
|--------------------|----------------------------------|-------------------|---|----------------------------|---|---------------------------|--|---------------------------------------|-------|-------------|--|
| Colombia | 40%* 20%* | Rebate | Yes/No/No | No Cap | 1.16M | 25B 12/31/2015 | Each Resident* | NA/NA | Yes | 7/8/22 | Law 1556 of 2012 |
| Croatia | 20% | Rebate | Yes/No/No | 4M* | 2M Feat 1M TV 750k EPS 300k Doc* | 20M Per Calendar Year | Croatian Tax Residents | No/No | Yes | 12/31/19 | Article 39 - Law on Audiovisual Activities |
| Czech Republic | 20% Local Spend 10% NR Labor* | Rebate | Yes/No/No | No Cap | 15M TH/TV 10M EPS 3M Docu | 800M Per Calendar Year | Each Resident & Nonresident Subject to Tax* | No/No | Yes | None | 496/2012 |
| Dominican Republic | 25% | Tax Credit | No/Yes/3yr | No Cap | \$500k* | No Cap | Each Resident & Nonresident | Yes 28%/Yes | Yes | 6/14/21* | Law 108-10 |
| France | 20%* | Tax Credit | Yes/No/No | 20M* | 1M or ≥ 50% of budget < 2M* | No Cap | Each French/ European Resident or Citizen | No/No | Yes | None | Article 220 Quaterdecies of General Tax Code |

*Amounts shown are in local currency. See country detail page for further explanation and local currency.

INCENTIVES AT-A-GLANCE: INTERNATIONAL

| COUNTRY | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP* | MINIMUM SPEND* | FUNDING CAP* | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | AUDIT | SUNSET DATE | LEGISLATION |
|----------|-----------|-------------------|---|----------------------------|--|------------------------|---|---------------------------------------|-------|-------------|----------------------------------|
| Germany | 20% | Grant | Yes/No/No | 4M* | 2M Animated 1M Feature 200k Docu | 50M 12/31/2015 | Each Resident & Nonresident Subject to Tax | No/No | Yes | 12/31/15 | See Guidelines |
| Hungary | 25% | Rebate | Yes/No/No | No Cap | 0 | 122B Until Expended* | Each Resident & Nonresident* | No/No | No* | 12/31/19 | Act II of 2004 on Motion Picture |
| Iceland | 20% | Rebate | Yes/No/No | No Cap | 0 | 1.137B* 12/31/2015 | Each Resident & Nonresident Subject to Tax | No/Yes | Yes | 12/31/16 | 43/1999 |
| Italy | 25% | Tax Credit | No/No/Yes* | No Cap* | 0 | 115M Per Calendar Year | Each Resident & Nonresident | No/No | Yes | None | Finance Law of 2008 No. 244/2007 |
| Malaysia | 30% | Rebate | Yes/No/No | No Cap | 5M Prod 385k TV* 1.5M Post | No Cap | 1 st 7.5M of Each Resident & Nonresident | No/No | Yes | None | See Guidelines |

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INCENTIVES AT-A-GLANCE: INTERNATIONAL

| COUNTRY | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP* | MINIMUM SPEND* | FUNDING CAP* | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | AUDIT | SUNSET DATE | LEGISLATION |
|-----------------------|------------------------------------|-------------------|---|----------------------------|---|-----------------------------------|--|---------------------------------------|-------|-------------|--|
| Mexico | 1.5% or 7.5% | Rebate | Yes/No/No | 17.5%* | 40M Prod 10M Post | * | Each Resident & Nonresident Subject to Tax | No/Yes | Yes | None | See Guidelines |
| | 16% | VAT Refund | Yes/No/No | | N/A | No Cap | | | Yes | None | |
| New Zealand | 20% + 5%* | Grant | Yes/No/No | No Cap | \$15M Film* \$4M TV/Other* | No Cap | Each Resident & Nonresident* | No/No | Yes | None | See NZSPG Criteria |
| | 20% PDV* | Grant | Yes/No/No | No Cap | \$1M PDV* | No Cap | | | Yes | | |
| South Africa | 20% + 2.5% or 5%* 17.5% or 20%* | Rebate | Yes/No/No | 50M* | 12M* | 340M Per Fiscal Year (4/1 - 3/31) | Each Resident/Citizen | Yes 15%/No | Yes | 3/31/17 | See Guidelines |
| | | Rebate | Yes/No/No | 50M* | 1.5M* | | | | Yes | | |
| South Korea | 20%* 25%* 30%* | Rebate | Yes/No/No | No Cap | ≥ 100M ≤ 500M* > 500M ≤ 2B* > 2B* | 1B 12/31/2015 | Each Resident | No/No | Yes | None | See Guidelines |
| United Kingdom - Film | 25%* 20%* | Tax Credit | Yes/No/No | No Cap | 10% UK Core Expenditure | No Cap | Each Resident & Nonresident | No/No | Yes | 12/31/15 | Finance Act 2006 - C.3, Sch.4, & Sch.5 |

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INCENTIVES AT-A-GLANCE: INTERNATIONAL

| COUNTRY | INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP* | MINIMUM SPEND* | FUNDING CAP* | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | AUDIT | SUNSET DATE | LEGISLATION |
|---------------------|-----------|-------------------|---|----------------------------|--------------------------|--------------|-----------------------------|---------------------------------------|-------|-------------|---------------------|
| United Kingdom - TV | 25% | Tax Credit | Yes/No/No | No Cap | 25% UK Core Expenditure* | No Cap | Each Resident & Nonresident | No/No | Yes* | None | CTA 2009 - Part 15A |

*Amounts shown are in local currency. See country detail page for further explanation and local currency.

AUSTRALIA

AUSFILM - LOS ANGELES OFFICE

2029 Century Park East, Suite 3150, Los Angeles, CA 90067, www.ausfilm.com.au

MICHELLE SANDOVAL, CLIENT LIAISON EXECUTIVE: 310-229-2361, michelle.sandoval@ausfilm.com.au

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM QAPE (\$ AUD) | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|---|--|--|------------------------------|---|----------------------------|---|--|------------------|-------|----------------|-----------------------------|
| 40% or 20% PO ⁽¹⁾ 30% PDV ⁽¹⁾ 16.5% LO ⁽¹⁾ | Tax Credit Tax Credit Tax Credit | Yes/No/No Yes/No/No Yes/No/No | No Cap No Cap No Cap | \$500k/\$1M ⁽²⁾ \$500k ⁽²⁾ \$15M ⁽²⁾ | No Cap No Cap No Cap | Each Resident & Nonresident ⁽³⁾ | No/No | No | Yes | None | ITAA 1997 - Division 376 |

⁽¹⁾ Producer Offset (PO) is equal to 40% of Qualifying Australian Production Expenditure (QAPE) for theatrical releases (20% for TV documentaries and series); Post, Digital & Video Offset (PDV) is equal to 30% of QAPE related to post, digital, and visual effects production; Location Offset (LO) is equal to 16.5% of QAPE. ⁽²⁾ AUD \$500k (approximately USD \$471,000) for feature films or AUD \$1 million for TV series (plus a minimum QAPE per hour of AUD \$500k) for the PO; AUD \$500k for the PDV Offset; and, AUD \$15 million for films or an average of AUD \$1 million per hour for TV series for the LO. ⁽³⁾ See Qualified Spend section for nonresident labor requirement.

REQUIREMENTS: Generally, be a qualifying entity; obtain a certificate of eligibility; and, meet the minimum QAPE requirements. For the PO: demonstrate the project has Significant Australian Content (SAC); upon completion of the project, submit a final certificate application along with a DVD of the production and required documents; and, a TV series may earn the incentive on the first 65 commercial hours of content. **For the LO and PDV: must complete the entire production for a TV series that is predominantly digital animation within 36 months; must complete principal photography for a live action feature or TV series that is not predominantly animation within 12 months;** submit a final certificate application once QAPE or QAPE related to PDV has ceased being incurred; and, within 30 days of the project's completion, submit a DVD of the production to the Minister.

QUALIFIED SPEND: QAPE includes costs incurred during all phases of production for goods and services provided in Australia. **To qualify wages for nonresident crew (not**

cast) as QAPE, the nonresident must have worked on the production in Australia for at least 14 consecutive nights. Each visit is considered separately. For the PO, expenses incurred during principal photography in a foreign country will qualify (except for a TV pilot) if the payment was made to an Australian resident or business and the subject matter of the film reasonably requires the foreign location to be used in principal photography. Qualifying ATL costs are capped at 20% of the project's (excluding non-feature documentaries) total production expenditure. GST does not qualify.

SUMMARY: This program is administered on a first-come, first-served basis. **Australia offers mutually exclusive incentives consisting of the Producer, PDV, and Location Offsets.** The PDV offset is available to projects not filmed in Australia. Official co-productions are not subject to the SAC requirements. Upon final certification, the production company may claim the tax credit in the income tax year (7/1 - 6/30) in which the film was completed or when QAPE has stopped being incurred.

CANADA - FEDERAL

CANADIAN AUDIO-VISUAL CERTIFICATION OFFICE (CAVCO)

25 Eddy St., 8th Floor, Gatineau, QC K1A 0M5, www.pch.gc.ca/cavco

JOHANNE MENNIE, DIRECTOR: 888-433-2200, bcpac-cavco@pch.gc.ca

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (\$CAD) | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | INCOME TAX ACT |
|-----------------------|-------------------|--|---------------------------------|---|----------------|--------------------|--|------------------|-------|----------------|---|
| 16% Resident Labor | Tax Credit | Yes/No/No | No Cap | > \$1M Feature ⁽¹⁾ ≥ 30 min > \$200k ⁽²⁾ < 30 min > \$100k ⁽²⁾ | No Cap | Each Resident | No/No | No | No | None | Section 125.5 Regulation Section 9300 |

⁽¹⁾ Global minimum spend. ⁽²⁾ Global minimum spend per episode.

REQUIREMENTS: Be a taxable Canadian entity; have a permanent establishment in Canada; be primarily in the business of film/video production or film/video production services; own the production's copyright during the production period or have a direct contract with the owner of the copyright; **submit an application for an Accreditation Certificate along with a CAD \$5,000 administrative fee to CAVCO any time after the production's budget is locked and a detailed synopsis of the production can be provided;** during the 24-month period after the start of principal photography, meet the appropriate global minimum spending requirement of more than CAD \$100,000 (approximately USD \$93,000) per episode for productions less than 30 minutes, more than CAD \$200,000 per episode for productions 30 minutes or longer, or more than CAD \$1 million for feature films or any other productions; and, file a tax return accompanied by the Accreditation Certificate and other required documents.

QUALIFIED SPEND: Qualified Canadian labor includes salaries paid to Canadian residents for services provided in Canada and incurred from the final script stage to the end of the postproduction stage. Costs which are not eligible include the salaries of nonresidents, the cost of advertising, marketing, promotion, market research, and any amount related in any way to another film or video production.

SUMMARY: This incentive program is administered on a first-come, first-served basis. The Film or Video Production Service Tax Credit (PSTC) is a refundable tax credit equal to 16% of qualified Canadian labor expenditures that were incurred in Canada (reduced by any other assistance received, such as the provincial incentives). **A corporation must have an Accreditation Certificate before it can apply for the tax credit.** The Canada Revenue Agency will determine the amount of the tax credit a production company is entitled to after a tax return and the required documentation is filed.

ALBERTA

ALBERTA FILM

140 Whitemud Crossing, 4211 - 106 St. Edmonton, AB T6J 6L7, www.albertafilmm.ca

JEFF BRINTON, FILM COMMISSIONER: 780-422-8584, jeff.brinton@gov.ab.ca

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP (\$ CAD) | MINIMUM SPEND (\$CAD) | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | INCOME TAX ACT |
|--------------------------------------|-------------------|--|---|------------------------------------|----------------|--------------------|--|------------------|--------------------|----------------|-------------------|
| 25% Stream II + 1% ⁽¹⁾ | Grant | Yes/No ⁽²⁾ /No | \$5M | > \$50k With Commercial License | No Cap | Each Resident | No/No | Yes | Yes ⁽³⁾ | None | See Guidelines |

⁽¹⁾ An additional 1% is available for shoots lasting more than 30 days or 300 person hours for animation/digital projects, for a maximum grant of 26% under Stream II. ⁽²⁾ Grant funds may be assigned to a recognized financial or lending institution. ⁽³⁾ If the production budget is: ≥ CAD \$200,000 an audit is required; < CAD \$200,000 an uncertified final cost report with a statutory declaration is required.

REQUIREMENTS: Be incorporated in Alberta, registered as an extra-provincial company in Alberta, or continued as an Albertan company through a Certificate of Continuance and be in good standing with the Corporate Registry; **submit the application, including all submission materials, to Alberta Media Fund so it is physically received no later than one day PRIOR to the start of principal photography**, unless it is for animation or a project that is only applying for postproduction related services in Alberta; provide written evidence of industry standard insurance PRIOR to the first day of principal photography; employ a minimum of four Albertans in the seventeen eligible Head of Department positions (grant percentage is reduced by 0.5% for each Head of Department position below the minimum requirement); and, applicants with a commercial license agreement must provide written evidence of 75% confirmed financing for projects with budgets of at least CAD \$1 million or 50% for budgets under CAD \$1 million. The projected grant and federal tax credits may be included as part of the confirmed financing. For projects with budgets over CAD \$1 million and that do not demonstrate 100% confirmed financing, a completion bond may be required.

QUALIFIED SPEND: Qualified spend includes all goods or services purchased and consumed in Alberta, including air travel that departs and arrives within Alberta's Provincial border. Where goods and services are not available in Alberta, an amount proportionate to the Alberta shoot days may be permitted with documented proof the items were not available in Alberta. Nonresident labor and fees for key creative services provided by producers working on projects over \$1 million are not eligible. **Only expenses listed on the Eligible Alberta Cost Worksheet or those approved in an advanced ruling will be eligible.**

SUMMARY: This program is administered on a first-come, first-served basis. Productions are categorized into two "Streams" based on the percentage of the production that is owned by Albertans. Although Stream I requires 50% or more Albertan ownership, **Stream II requires less than 50% Albertan ownership or control** and offers a grant of up to 25% of all eligible Alberta costs. While there is not a funding cap for the program, the maximum grant a project may earn is capped at CAD \$5 million.

BRITISH COLUMBIA

ROBERT WONG, VICE PRESIDENT, ACTING FILM COMMISSIONER: 604-730-2236, bwong@creativebc.com

CREATIVE BC

2225 West Broadway, Vancouver, BC V6K 2E4, www.creativebc.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (\$CAD) | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | INCOME TAX ACT |
|--|-------------------|--|---------------------------------|---|----------------|--------------------|--|------------------|-------|----------------|-------------------|
| 33% Resident Labor + 6% Regional + 6% Distant +17.5% DAVE | Tax Credit | Yes/No/No | No Cap | > \$1M Feature ⁽¹⁾ ≥ 30 min > \$200k ⁽²⁾ < 30 min > \$100k ⁽²⁾ | No Cap | Each Resident | No/No | No | No | None | Part 5 BC |

⁽¹⁾ Total global minimum spend (TGMS) for features. ⁽²⁾ TGMS per episode for television series or pilots only. There is no TGMS requirement for digital animation or visual effects productions of less than 30 minutes.

REQUIREMENTS: Be a taxable Canadian entity; have a permanent establishment in British Columbia; be primarily in the business of film or video production; **own the production's copyright during the production period or have a direct contract with the copyright's owner**; apply with Creative BC for an accreditation certificate and include a CAD \$5,500 administration fee (plus GST tax) per application; and, meet the global minimum spending requirement of more than CAD \$100,000 per episode for episodes or pilots that are less than 30 minutes or more than CAD \$200,000 per episode for those that are 30 minutes or longer. In all other production cases, the global minimum spending requirement is more than CAD \$1 million. For the Digital Animation or Visual Effects (DAVE) credit, more than 50% of the effect must have been created using digital technology.

QUALIFIED SPEND: Qualified spend includes amounts incurred by a corporation from the final script stage to the end of postproduction including: **salaries or wages paid to BC residents during the year or within 60 days after the end of the year that are directly related to the production**; and, payments for services to individuals, partnerships and personal service corporations for services provided by BC residents that are attributable to the production.

SUMMARY: This program is administered on a first-come, first-served basis. **British Columbia Production Services Tax Credit Program offers four distinct labor based tax credits which, if the production qualifies, may be combined:** Basic, Regional, Distant, and DAVE. Production companies may earn a refundable tax credit equal to 33% of qualified BC labor plus an additional 6% of eligible labor for each of the following: (1) filming more than 50% of BC principal photography and a minimum of five days outside the designated Vancouver area (Regional); (2) filming at least one day of BC principal photography at a distant location as defined (Distant). The production must be eligible for the Regional credit in order to access the Distant credit. Both the Regional and Distant credits are prorated by the number of principal photography days done in the required area over the total number of principal photography days done in British Columbia. Production companies may also earn the DAVE credit equal to an additional 17.5% of qualified BC labor that is directly attributable to digital animation or visual effects activities.

MANITOBA

MANITOBA FILM & MUSIC

410-93 Lombard Avenue, Winnipeg, MB R3B 3B1, www.mbfilmmusic.ca

CAROLE VIVIER, CEO & FILM COMMISSIONER: 204-947-2040, info@mbfilmmusic.ca

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | INCOME TAX ACT |
|------------------------------------|-------------------|--|---------------------------------|------------------|----------------|---|--|------------------|-------------------|----------------|-------------------------|
| 45% - 65% Labor or 30% Spend | Tax Credit | Yes/No/No | No Cap | \$0 | No Cap | Each Resident & BTL "Deemed" Nonresident ⁽¹⁾ | No/No | Yes | No ⁽²⁾ | 12/31/2016 | Section 7.5(1) - 7.9 |
| | Tax Credit | Yes/No/No | No Cap | \$0 | No Cap | | | | | | |

⁽¹⁾ Nonresident labor may qualify under the deeming provision. ⁽²⁾ If Manitoba Film & Music is an equity investor and the production budget is: > CAD \$500,000 an audit is required; ≥ CAD \$200,000 but ≤ CAD \$500,000 an engagement review is required; < CAD \$200,000 a notarized affidavit is required.

REQUIREMENTS: Be incorporated in Canada; be a taxable corporation; have a permanent establishment in Manitoba during production; be primarily in the business of film or video production; and, pay a minimum of 25% of the production company's total "T4'able" salaries and wages to eligible Manitoba employees for work performed in the province. **There are no copyright ownership requirements to be eligible for the tax credit.** There are no administrative fees to apply for the tax credit.

QUALIFIED SPEND: For the labor based credit, qualified labor includes salaries and wages paid to Manitoba residents (which may include services provided outside Manitoba). Certain nonresidents may be "deemed" eligible for the credit through the deeming provision. The salary of a "deemed" nonresident may qualify if there is at least one Manitoba resident being trained on the production per nonresident being deemed. Deemed salaries are capped at 30% of total eligible Manitoba salaries if there are at least two Manitoba trainees on the production per nonresident or at 10% if there is one Manitoba trainee per nonresident. **The request for deeming should occur PRIOR to the start of principal photography.** For

the spend based credit, qualified spend includes eligible: Manitoba salaries; "deemed" nonresident salaries; parent-subsidiary amounts; Manitoba service contract expenditures; tangible property expenditures; and, accommodation expenditures.

SUMMARY: This program is administered on a first-come, first-served basis. **Manitoba offers a choice between earning a refundable tax credit equal to 30% of eligible Manitoba expenditures (including eligible labor and eligible "deemed" nonresident labor) or up to 65% on eligible Manitoba labor.** In addition to the base 45% labor credit, an additional 10% (Frequent Filming Bonus) may be earned by a production company filming its third eligible project in Manitoba within a 2-year period. For a series, the frequent filming bonus may be earned after the first four hours of airtime. An additional 5% may be earned for each of the following: (1) filming at least 50% of Manitoba production days at least 22 miles (35 km) from Winnipeg's center (Rural Bonus); (2) having a Manitoba resident with a screen credit of producer, co-producer, or executive producer (Manitoba Producer Bonus).

NEW BRUNSWICK

TOURISM, HERITAGE AND CULTURE

Place 2000, 250 King St, 4th Fl., Fredericton, NB E3B 9M9, www.gnb.ca

GHISLAIN LABBÉ, PROJECT CONSULTANT: 506-869-6875, ghislain.labbe@gnb.ca

NEW BRUNSWICK DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.

TORONTO

555 Richmond Street West, Suite 1011
P.O. Box 305, Toronto, ON M5V 3B1
Tel: 416-406-2768

VANCOUVER

4259 Canada Way, Suite 250
Burnaby, BC V5G 1H1
Tel: 604-437-6363



NEWFOUNDLAND & LABRADOR

NEWFOUNDLAND AND LABRADOR FILM DEVELOPMENT CORPORATION (NLFDC)

12 King's Bridge Road, St. John's, NL A1C 3K3, www.nlfdc.ca

CHRIS BONNELL, EXECUTIVE DIRECTOR/FILM COMMISSIONER ⁽¹⁾: 709-738-3456, chris@nlfdc.ca

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP (\$ CAD) | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | INCOME TAX ACT |
|--|-------------------|--|---|------------------|----------------|--|--|------------------|--------------------|----------------|-------------------------|
| Lesser of: 40% Eligible Labor or 25% Prod Costs | Tax Credit | Yes/No/No | \$4M Per 12-Month Period | \$0 | No Cap | Each Resident & "Deemed" Nonresident | No/No | Yes | Yes ⁽²⁾ | 12/31/2018 | Section 45 Reg. 3/99 |
| | Tax Credit | Yes/No/No | \$0 | No Cap | | | | | | | |

⁽¹⁾ Dorian Rowe, Manager of Programs, dorian@nlfdc.ca. ⁽²⁾ If production costs are: > CAD \$500,000 an audit is required; > CAD \$100,000 but ≤ CAD \$500,000 an engagement review is required; ≤ CAD \$100,000 an affidavit is required.

REQUIREMENTS: Be incorporated in Canada or in one of Canada's provinces; have a permanent establishment in Newfoundland; be in the business of film, television, or video production; and, not be a broadcaster or cable company. This program is administered using a two-part application process. Submit Part I of the application to NLFDC on or before the first day of principal photography; submit Part II of the application after postproduction has been completed; and, **pay at least 25% of salaries and wages to Newfoundland residents for work in the province.**

QUALIFIED SPEND: Qualified spend includes salaries or wages paid to Newfoundland residents for work performed in the province including the cost of "deemed" labor. "Deemed" labor occurs when a nonresident is employed due to a qualified resident not

being available and the nonresident mentors a Newfoundland resident. In such cases, 75% of the nonresident mentor's salary and 100% of the resident trainee's salary may qualify for the tax credit. **Requests for "deemed" labor, along with the mentor and trainee's resumes, must be submitted to the NLFDC PRIOR to the start of production.**

SUMMARY: This program is administered on a first-come, first-served basis. **A qualified eligible corporation may earn a fully refundable tax credit equal to the lesser of 40% of eligible labor or 25% of the total production costs.** The maximum tax credit that may be received by an eligible corporation, together with all companies associated with that corporation, in respect of all eligible projects commenced within a 12-month period is CAD \$4 million. This incentive program is scheduled to sunset on December 31, 2018.

NORTHWEST TERRITORIES

NORTHWEST TERRITORIES FILM COMMISSION
P.O. Box 1320, Yellowknife, NT X1A 2L9, www.nwtfilm.com

CAMILLA MACEACHERN, ASSOCIATE FILM COMMISSIONER: 867-920-8793, nwtfilm@gov.nt.ca

NORTHWEST TERRITORIES DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.



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FILM & CREATIVE INDUSTRIES NOVA SCOTIA

CB 302-1883 Upper Water St., Halifax, NS B3J 1S9, www.film.ns.ca

CAROLYN HORTON, DIRECTOR OF FINANCE: 902-424-7182, hortoncm@gov.ns.ca

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | INCOME TAX ACT |
|---|-------------------|--|---------------------------------|------------------|----------------|--------------------|--|------------------|--------------------|----------------|--|
| 50% Resident Labor +10% Regional Bonus ⁽¹⁾ + 5% Frequent Film ⁽²⁾ | Tax Credit | Yes/No/No | No Cap | \$0 | No Cap | Each Resident | No/No | No | Yes ⁽³⁾ | 12/31/2020 | Ch 217 Sec 47 Bill No. 27 (2011) Bill No. 49 (2014) Reg. 15/96, Reg. 249/11 |

⁽¹⁾ An additional bonus equal to 10% of eligible salaries is available for films shot in eligible geographic areas (EGA). ⁽²⁾ An additional credit in the amount of 5% of eligible salaries is available for production companies that have completed principal photography on at least two prior films, within 24 months prior to the start of principal photography on the current film. ⁽³⁾ If production costs are: ≥ CAD \$500,000 an audit is required; ≥ CAD \$100,000 but < CAD \$500,000 an engagement review is required; < CAD \$100,000 a producer's affidavit along with a detailed cost report is required.

REQUIREMENTS: Be incorporated in Canada or in one of Canada's provinces (the corporation may be controlled by either foreign or Canadian owners); be a taxable Canadian entity; be primarily in the business of film or video production; have a permanent place of business in Nova Scotia; submit Part B Application, along with an application fee equal to 0.2% of eligible salaries plus 15% HST, but not less than CAD \$200 or more than CAD \$2,000, to Film & Creative Industries Nova Scotia within 30 months of the end of the tax year in which the expenses were incurred; and, **at least 25% of salaries and wages paid by the applying production company must be eligible labor.**

QUALIFIED SPEND: Qualified spend includes salaries and wages of Nova Scotia resident employees and payments made to third party service providers (including accounting firms, law firms, postproduction companies, etc.) to the extent that their employees' salaries are directly attributable to the film's production. Payments made to Nova Scotia residents for work done outside of Nova Scotia also qualify

for the credit. **To be considered a Nova Scotia resident, an individual must have a main residence and financial ties in Nova Scotia during the production period.**

SUMMARY: This program is administered on a first-come, first-served basis. Nova Scotia offers a refundable tax credit equal to 50% of eligible Nova Scotia labor. An additional 10% (Regional Bonus) of eligible Nova Scotia labor is available to productions that film 50% or more of principal photography in an EGA. **For those productions filming less than 50% of principal photography in the EGA, the credit will be prorated based on the number of production days filmed in the EGA out of the total principal photography days (including days filmed outside of Nova Scotia).** The EGA consists of all geographic areas of the province that are more than 18 miles (30 km) from Halifax City Hall. An additional 5% (Frequent Film) of qualifying labor is available to production companies filming their third film within a 2-year period in Nova Scotia. This incentive program is scheduled to sunset on December 31, 2020.

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (\$CAD) | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | INCOME TAX ACT |
|---------------------------|-------------------|---|---------------------------|---|-------------|-----------------|-----------------------------------|---------------|-------|-------------|--|
| 25% OPSTC ⁽¹⁾ | Tax Credit | Yes/No/No | No Cap | \$1M Feature ⁽³⁾ > 30 min ≥ \$200k ⁽³⁾ ≤ 30 min ≥ \$100k ⁽³⁾ | No Cap | Each Resident | No/No | No | No | None | Section 92 Reg. 37/09 Reg. 70/10 |
| +20% OCASE ⁽²⁾ | Tax Credit | Yes/No/No | No Cap | | No Cap | Each Resident | No/No | No | No | None | |

⁽¹⁾ Ontario Production Services Tax Credit (OPSTC). ⁽²⁾ Ontario Computer Animation and Special Effects (OCASE). ⁽³⁾ Global minimum budget.

REQUIREMENTS: Be a Canadian or foreign-owned corporation; be a taxable Canadian entity; have a permanent establishment in Ontario; be primarily in the business of film/video production or film/video production services; and, submit a complete application to OMDC, along with the applicable administrative fee of CAD \$5,000 for OPSTC and/or .06% of total eligible Ontario labor for OCASE, but not less than CAD \$100 or more than CAD \$5,000, for a Certificate of Eligibility through the OMDC's online application portal on or after the production's first day of principal photography. Additionally, **for the OPSTC credit: own the eligible production's copyright during the production period or have a direct contract with the copyright owner to provide production services to the eligible production;** and, meet the appropriate global minimum budget requirement of CAD \$1 million for feature films, CAD \$200,000 per episode for productions longer than 30 minutes or CAD \$100,000 per episode for productions of 30 minutes or less.

QUALIFIED SPEND: Qualified spend includes eligible wages, eligible service contracts, and for the OPSTC, eligible tangible property expenditures in Ontario. The expenses must be: reasonable in the circumstances; directly related to the production or to the

eligible computer animation and special effects activities; paid within 60 days after the applicable tax year end; and, paid to Ontario residents, companies or partnerships for services provided in Ontario. **For the OPSTC credit, eligible expenditures must have been incurred from the final script stage to the end of postproduction.** For the OCASE credit, eligible labor expenditures include 100% of salaries and wages paid to Ontario residents including freelancers or arm's length personal services corporations for eligible animation and visual effects activities for use in eligible productions.

SUMMARY: This program is administered on a first-come, first-served basis. OPSTC is a refundable tax credit equal to 25% of all qualifying production expenditures incurred in Ontario. The OCASE credit is equal to 20% of eligible Ontario labor expenditures that are attributable to eligible computer animation and special effects activities. The OCASE tax credit may be claimed in addition to the OPSTC credit or it may be claimed on its own by a supplier/vendor if the production company contracted the supplier/vendor to perform the computer animation and special effects services. Neither program has a funding cap or per project tax credit cap.

PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.

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| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (\$CAD) | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | INCOME TAX ACT |
|---------------------------------|-------------------|--|---------------------------------|---|----------------|---|--|------------------|-------|----------------|----------------------------|
| 20% +16% CASE ⁽¹⁾ | Tax Credit | Yes/No/No | No Cap | > \$1M Feature ⁽²⁾ > 30 min > \$200k ⁽³⁾ ≤ 30 min > \$100k ⁽³⁾ | No Cap | Each Resident & Nonresident ⁽⁴⁾ | No/No | Yes | No | None | 1129.4.0.5 - 1129.4.0.8 |

⁽¹⁾ Computer-Aided Special Effects (CASE). ⁽²⁾ Global minimum budget. ⁽³⁾ For series consisting of two or more episodes or pilot for such series (each episode is considered a single production and must meet the global minimum budget requirement). ⁽⁴⁾ Certain positions qualify only if the employee is a Québec resident (see qualified spend section below for details).

REQUIREMENTS: Have an establishment in Québec during the tax year; be primarily in the business of film/television production or film/television production services; own the eligible production's copyright during the production period carried out in Québec or have a direct contract with the copyright owner to provide production services for the eligible production; submit an application to the SODEC along with an administrative fee of CAD \$500; **obtain an Approval Certificate from SODEC and apply for an Advance Ruling with SODEC** (the fee for an advance ruling is CAD \$4 per CAD \$1,000 of eligible Québec expenses for the first CAD \$1.5 million, plus CAD \$3 per CAD \$1,000 of eligible Québec expenses exceeding CAD \$1.5 million); meet the global minimum budget requirement of more than CAD \$1 million for a single production; and, for a series consisting of two or more episodes, or a pilot for such series, meet the global minimum budget requirement of more than CAD \$100,000 for episodes of 30 minutes or less, or more than CAD \$200,000 for episodes over 30 minutes.

QUALIFIED SPEND: Québec allows the incentive to be earned on all production costs incurred in Québec with regard to a qualified production. Qualified labor cost consists

of wages and salaries, including the associated payroll taxes, paid to employees as well as the cost of any service contract incurred by the corporation with a supplier of services for work performed in Québec that is directly related to the qualified production. **Labor costs incurred for services performed by a producer, author, scriptwriter, director, production designer, director of photography, music director, composer, conductor, editor, visual effects supervisor, actor (speaking role) or an interpreter will qualify only if the individual was a Québec resident at the time the services are provided.**

SUMMARY: This program is administered on a first-come, first-served basis. Québec offers a refundable tax credit equal to 20% of all qualified production spend, consisting of qualified labor and qualified production costs, incurred for services provided in Québec that are directly related to the production. A production company may also earn the CASE credit equal to an additional 16% of qualified labor costs related to computer-aided animation and special effects.

SASKATCHEWAN

CREATIVE SASKATCHEWAN

1831 College Avenue, Regina, SK S4P 4V5, www.creativesask.ca

306-798-9800, investment@creativesask.com

SASKATCHEWAN DOES NOT OFFER A PRODUCTION INCENTIVE PROGRAM AT THIS TIME.



For more information on our Canadian offices visit www.castandcrew.com/ca/

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (\$ CAD) | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | INCOME TAX ACT |
|---|-------------------|---|---------------------------|------------------------|-----------------------|-------------------|-----------------------------------|---------------|-------|-------------|----------------|
| Up to 50% Travel Costs ⁽¹⁾ Up to 25% BTL Resident & Spend ⁽¹⁾ Up to 25% Trainer Wages | Rebate | Yes/No/No | No Cap ⁽²⁾ | \$0 | No Cap ⁽³⁾ | Each BTL Resident | No/No | Yes | No | None | NA |

⁽¹⁾ Productions accessing the spend rebate are not eligible for the travel rebate and vice versa. ⁽²⁾ Although there is not a project rebate cap for the spend and training rebate, the travel rebate is capped at the lesser of CAD \$15,000 or 15% of Yukon expenses for feature films, TV movies, and TV programs. ⁽³⁾ The training rebate will be capped based upon available resources; details must be requested in advance of training.

REQUIREMENTS: Register the applicant company with Yukon Corporate Affairs; **PRIOR to the commencement of principal photography in Yukon, apply to the Yukon Film & Sound Commission;** provide on-screen credit; and, acknowledge Yukon’s financial contribution in all advertising, publicity, and promotional materials.

QUALIFIED SPEND: Travel costs of any non-Yukon crew member will not qualify for the travel rebate if a qualified Yukon crew member could have been hired for the same position. The travel rebate is only available if: (1) the production company is from outside the Yukon and (2) Yukon labor equals 15% or more of total person days for the Yukon portion of the production. Production companies that undertake pre-approved training of Yukon labor may apply for the training rebate. For the training rebate, the Yukon trainee must have: demonstrated a commitment to a career in film; a union permit; significant recent film production experience; or, graduated from a recognized film crew training program. The resident below-the-line spend rebate is available to productions

supported by a broadcast license or distribution arrangement whose Yukon labor equals 50% or more of total person days on the Yukon portion of the production.

SUMMARY: This program is not administered on a first-come, first-served basis. The Yukon Film & Sound Commission may reduce or decline an application. Productions eligible for the travel rebate may earn up to 50% of travel costs from Vancouver or Edmonton or Calgary to Whitehorse. The travel rebate is limited to the lesser of CAD \$10,000 or 10% of Yukon expenditures for commercial and documentary productions; or, the lesser of CAD \$15,000 or 15% of Yukon expenditures for feature films, TV movies, and TV programs. Productions eligible for the spend rebate may earn up to 25% of Yukon below-the-line labor costs and amounts paid to eligible Yukon businesses. **Companies may submit a spend rebate claim only after all Yukon crew and services are paid.** Applicants eligible for the training program may earn up to 25% of the non-Yukon trainer’s wage for the period in which they actively transferred skills to a Yukon trainee.

COLOMBIA

PROIMÁGENES COLOMBIA

Calle 35 No. 5-89, Bogotá, Colombia, www.locationcolombia.com

SILVIA ECHEVERRI, FILM COMMISSIONER: 57 1 287 0103, silvia@locationcolombia.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (COP) | FUNDING CAP (COP) | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|--|-------------------|---|---------------------------|---------------------|-------------------|------------------------------|---------------------------------------|---------------|-------|-------------|------------------|
| 40% ⁽¹⁾ 20% ⁽¹⁾ | Rebate | Yes/No/No | No Cap | 1.16M | 25B 12/31/2015 | Each Resident ⁽²⁾ | NA/NA | Yes | Yes | 7/8/2022 | Law 1556 of 2012 |

⁽¹⁾40% for expenses paid for “film services”; 20% for expenses paid for “film logistic services” expenses (see Qualified Spend section below). ⁽²⁾Must be a Colombian national and permanent resident of Colombia.

REQUIREMENTS: Engage a Colombian film services company that is registered with the Film Office of the Ministry of Culture to provide film services for the project; submit an application along with the required documentation and a refundable deposit of guarantee in the amount of 25.774 million Colombian Pesos (COP) (approximately USD \$11,000) to Proimágenes Colombia; enter into the Colombia Film Contract with Proimágenes Colombia within 20 days of receiving notification of the project’s approval; within three months after entering into the contract, **establish a Colombian trust equal to 10% of the total expenditures to be incurred in Colombia**; meet the minimum spending requirement of COP 1.16 million (approximately USD \$500); and, submit a final rebate request along with the certificates of payments within three months after the deadline for paying expenses in Colombia (see Qualified Spend section for applicable deadlines).

QUALIFIED SPEND: Qualified spend that is considered expenses for “film services” consist of expenditures for preproduction, production, or postproduction services as well as artistic and technical services. Qualified spend that is considered expenses for “film logistic service” consist of expenditures for hotel, food, and transportation. Expenses for film services must be contracted through the Colombian film services company; however,

expenses for film logistics services are not subject to this requirement. **Expenses for film services and film logistics services must be paid through the Colombian trust** and incurred and paid within six months from the date the Colombian Filming Contract was entered into (12 months for projects conducting production and postproduction in Colombia or 24 months for animation productions). Crew per diem does not qualify.

SUMMARY: This program is not administered on a first-come, first-served basis. The Colombia Film Promotion Committee has discretion to approve projects based on a number of factors including the projects ability to develop the country’s film industry, promote tourism, and the portrayal of the country’s image. Colombia offers a rebate equal to 40% of expenses for film services and 20% of expenses for film logistics services. **The rebate will be paid out within two months from the approval of the final request.** If actual Colombian expenses incurred are greater than 20% less than the amounts stated in the original application, the deposit of guarantee will not be refunded. Productions conducting only postproduction in Colombia are not eligible for the program. Eligible productions consist of feature films, short films, or “TV movies”; episodic series are not eligible. Colombia also offers a Value Added Tax rebate of up to 16%.

CROATIA

CROATIA AUDIOVISUAL CENTRE

Nova Ves 18, 10000 Zagreb, Croatia, www.havc.hr

HRVOJE HRIBAR, CHIEF EXECUTIVE: 385 1 6041 080, info@havc.hr

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP (HRK) | MINIMUM SPEND (HRK) | FUNDING CAP (HRK) | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|-----------|-------------------|--|--|---|-------------------------|---------------------------|--|------------------|-------|----------------|---|
| 20% | Rebate | Yes/No/No | 4M ⁽¹⁾ | 2M Feat 1M TV 750k EPS 300k Doc ⁽²⁾ | 20M Per Calendar Year | Croatian Tax Residents | No/No | Yes | Yes | 12/31/2019 | Article 39 - Law on Audiovisual Activities |

⁽¹⁾ If the projected costs of producing the film exceed 20 million Kuna (HRK) (approximately USD \$2.9 million), the production may apply to the Croatia Audiovisual Centre (Centre) for a rebate exceeding the per project rebate cap of HRK 4 million (additional requirements may apply). ⁽²⁾ For animation, the minimum local spending requirement is HRK 500,000.

REQUIREMENTS: Engage or be a Croatian producer, co-producer, or production service provider that has produced or provided production services for at least one publically showcased audiovisual work within the last three years; own the production's script or have a direct contract with the script's owner to provide production services for the eligible production; submit a complete application to the Centre at least 30 days PRIOR to the start of principal photography; provide proof that at least 70% of the financing to cover Croatian production costs has been secured; **pass the cultural test with a minimum of 12 points out of a maximum of 34 points including at least 4 points from Section A** (Cultural Content), **at least 4 points from Section B** (Creative Collaboration), **and at least 4 points from Section C** (Production/Use of Croatian Resources); and, cast and crew must consist of at least 30% of either Croatian or European Economic Area (EEA) citizens for productions filming partially in Croatia or 50% for productions filming entirely in Croatia.

QUALIFIED SPEND: Qualified spend consists of the costs of goods and services purchased in Croatia and wages paid to Croatian tax residents (both cast and crew) for services

performed in Croatia. **All expenses must be paid through a Croatian bank account in order to qualify for the rebate.**

SUMMARY: This program is administered on a first-come, first-served basis (preference is not given to projects scoring higher on the Cultural Test). Croatia offers a rebate equal to 20% of qualified Croatian expenses. Qualified productions receive a provisional certificate, which may be voided if principal photography is postponed (without prior approval by the Centre) for more than 30 days from the principal photography start date listed on the application. **The rebate is calculated on total qualified expenses without including value added tax and is paid directly to the applicant's Croatian bank account.** There is a funding cap of HRK 20 million per calendar year (with the condition that in the first half of each calendar year no more than 50% of the annual fund may be guaranteed) and the maximum rebate a project may earn is capped at HRK 4 million. This program is scheduled to sunset on December 31, 2019.

CZECH REPUBLIC

MAGDALÉNA KRÁLOVÁ, FILM INCENTIVES MANAGER: 420 602 177 146, magdalena.kralova@fondkinematografie.cz

STATE CINEMATOGRAPHY FUND

Dukelských hrdinů 47, 170 00 Praha 7, Czech Republic, www.fondkinematografie.cz

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (CZK) | FUNDING CAP (CZK) | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|--|-------------------|--|---------------------------------|---------------------------------|---------------------------|---|--|------------------|-------|----------------|-------------|
| 20% Local Spend 10% NR Labor ⁽¹⁾ | Rebate | Yes/No/No | No Cap | 15M TH/TV 10M EPS 3M Docu | 800M Per Calendar Year | Each Resident & Nonresident Subject to Tax ⁽¹⁾ | No/No | Yes | Yes | None | 496/2012 |

⁽¹⁾ Labor costs related to nonresident cast and crew that pay Czech Republic (CR) withholding tax are eligible for a 10% rebate.

REQUIREMENTS: Have a place of business or registered office in the CR and be registered with the relevant CR tax authority; submit an application for registration and a refundable administrative fee of 30,000 Koruna (CZK); **pass the cultural test by scoring at least 4 points among the cultural criteria and 23 points overall out of a possible total of 46**; prove funds are available to cover at least 75% of total costs; submit a project record application within three months of receiving the registration certificate; incur at least 70% of the project's minimum eligible spend in the CR within 12 months of receiving a project record certificate; provide an electronic copy of the production within three months of the first theatrical presentation; and, submit an application for the film incentive after production is completed and eligible costs are audited but not later than three years after receiving the project record certificate. Feature, television, and documentary films must be at least 70 minutes in duration, while each TV episode must be at least 40 minutes in duration.

QUALIFIED SPEND: Qualified spend consists of: costs for goods and services that are incurred and paid to a CR business or resident; and, compensation paid to nonresidents for services provided in the CR if CR tax has been withheld. **Expenses incurred prior to**

submitting an application for registration as well as per diems paid to nonresident cast and crew do not qualify. Eligible spend is capped at 80% of the total budget.

SUMMARY: The Czech Republic offers a rebate equal to 20% of qualifying CR production costs and 10% of nonresident labor costs that have CR withholding. A call for project registration applications is generally made once a year and applicants have one month to apply. Applications received after the one month period will be considered in the next call (if a second call is made). Applicants that pass the cultural test will simultaneously receive a certificate of project registration. **Project record applications submitted within one week of the registration certificate's date will receive priority over applications submitted after the one week period** (which will be evaluated on a first-come, first-served basis). The rebate will be deposited into the applicant's bank account within 14 days of final approval. While there is a funding cap of CZK 800 million (approximately USD \$32 million), of which CZK 500 million is currently fixed and CZK 300 million will be added during 2015, there is not a limit on the rebate that may be earned by a project. Any funds remaining at the end of a given year will roll over to the following year. This program does not have a sunset date.

DOMINICAN REPUBLIC

DIRECCIÓN GENERAL DE CINE REPÚBLICA DOMINICANA (DGCINE)

Cayetano Rodríguez #154, Gazcue, Santo Domingo, D.N., www.dgcine.gob.do

YVETTE MARICHAL, FILM COMMISSIONER: 809-687-2166, direccion@dgcine.gob.do

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (\$USD) | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|-----------|-------------------|--|---------------------------------|-----------------------------|----------------|--------------------------------|--|------------------|-------|--------------------------|-------------|
| 25% | Tax Credit | No/Yes/3yr | No Cap | \$500k ⁽¹⁾ | No Cap | Each Resident & Nonresident | Yes 28%/Yes | Yes | Yes | 6/14/2021 ⁽²⁾ | Law 108-10 |

⁽¹⁾ Minimum spend of \$500,000 is measured in US dollars. ⁽²⁾ Upon request, the program may be extended for five additional years; however, the request cannot be made before June 14, 2021.

REQUIREMENTS: Engage the services of a local production company that is registered with the Film Commission or form a company in the Dominican Republic (DR) and obtain a Mercantile Registry, a National Taxpayer Registration, and register as a production agency with the Film Commission; **submit an application for a Shooting Permit at least 30 days PRIOR to the start of principal photography**; secure a third party liability policy; meet the minimum spending requirement of USD \$500,000; employ the minimum Dominican personnel, 20% through June 14, 2016 and 25% thereafter (this percentage may be reduced if deemed necessary); submit an application for the transferable tax credit; and, within 15 days of receiving notification of the qualifying expenses, present the tax credit request to the Dominican Internal Revenue Bureau.

QUALIFIED SPEND: **Qualified spend consists of: expenses incurred during preproduction, production, and postproduction after the Shooting Permit was obtained**; development and preproduction expenses incurred prior to obtaining the permit if the exact amounts are included in the budget submitted with the Shooting Permit application; and, the cost of flights to and from the DR, as well as internal flights,

if purchased from an agency or airline whose principal establishment is in the DR. Any portion of the producer's salary that exceeds 6% of the total budget and development expenses that exceed 3% of the total budget will not qualify.

SUMMARY: This program is administered on a first-come, first-served basis. The DR offers a transferable tax credit equal to 25% of all expenses incurred in the DR that are directly related to preproduction, production, and postproduction. The tax credit cannot be transferred for less than 60% of its value. In addition to the 25% tax credit, all goods and services directly related to preproduction, production, and postproduction that are purchased from a DR business or provided by a DR resident are exempt from the Tax on the Transfer of Services and Industrialized Goods. However, the DR businesses or residents who provide the goods or services must be registered within the Film Commission's Fiscal Registry of Cinematic Suppliers and Agents. **The Shooting Permit allows goods and equipment necessary for filming to be imported temporarily for a period of six months (which may be extended) as long as items are exported at the end of the production.** This program is scheduled to sunset on June 14, 2021.

FRANCE

MAGALI JAMMET, PROJECT MANAGER FOR THE TECHNICAL INDUSTRIES & INNOVATION DEPT: 33 (0)1 44 34 35 34, magali.jammet@cnc.fr

CENTRE NATIONAL DU CINÉMA ET DE L'IMAGE ANIMÉE (CNC)

12 rue de Lübeck, 75784 Paris Cedex 16, www.cnc.fr

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|--------------------|-------------------|--|---------------------------------|--|----------------|---|--|------------------|-------|----------------|---|
| 20% ⁽¹⁾ | Tax Credit | Yes/No/No | €20M ⁽¹⁾ | €1M or ≥ 50% of Budget < €2M ⁽²⁾ | No Cap | Each French/ European Resident or Citizen | No/No | Yes | Yes | None | Article 220 Quaterdecies of General Tax Code |

⁽¹⁾ On January 1, 2016, the incentive and per project tax credit cap will increase to 30% and €30 million, respectively. ⁽²⁾ TV series may aggregate episodic costs to meet the minimum spend threshold.

REQUIREMENTS: Be subject to corporate income tax in France; act as the production services company for the sequences filmed or produced in France; enter into a production services agreement with the foreign producer; submit an application to the CNC for provisional approval; meet the minimum spending requirement of €1 million in eligible expenses or if the total worldwide budget is below €2 million, incur eligible expenses equal to at least 50% of the production budget; **shoot at least five days in France for live action productions; pass the Cultural Test with at least 18 points** (36 points for animation productions), of which seven points (nine points for animation productions) must be earned for "dramatic content" (TV series that aggregate episodic costs in order to reach the minimum spend threshold must also meet the cultural test on an aggregated basis); provide screen credit to the French Tax Rebate for International Productions (TRIP); and, submit a final approval application along with a DVD of the production and any necessary documents to the CNC within 24 months of incurring the last French expense.

QUALIFIED SPEND: Qualified spend includes costs incurred by the production services company, including but not limited to: wages and compensation for authors, actors (limited to the minimum compensation amount outlined in the collective bargaining agreement

of the movie industry), and crew members that are French or European residents and/or citizens; fringes; rentals and purchases of materials, film stock, and tapes; postproduction; transportation, including international transport of materials and travel of cast and crew to and from France; accommodations for cast and crew (hotel expenses are limited to €270 per night in Paris and the immediate vicinity and €200 per night for the rest of the French territory); catering; depreciation; and, a shorter shoot outside of France using the same crew and materials. **Expenses incurred prior to the date the CNC receives the provisional approval application will not qualify for the incentive.**

SUMMARY: This program is administered on a first-come, first-served basis. The TRIP program offers a refundable tax credit equal to 20% of qualifying expenditures. While there is not a funding cap for the program, the maximum credit a project may earn is capped at €20 million (approximately USD \$23 million). Generally, **a production will receive provisional approval (if all criteria are met) within two to three weeks of submitting the provisional approval application.** Upon completion of the project and submitting a final approval application, the CNC will verify that the finished project complies with the eligibility criteria before issuing final approval. The rebate is tax and VAT exempt.

GERMANY

DEUTSCHER FILMFÖRDERFONDS (GERMAN FEDERAL FILM FUND) (DFFF)

Große Präsidentenstraße 9, 10178 Berlin, www.dfff-ffa.de

CORNELIA HAMMELMANN, PROJECT MANAGER: 49-30-27577-0, Hammelmann@ffa.de

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|-----------|-------------------|--|---------------------------------|---|-----------------|--|--|------------------|-------|----------------|-------------------|
| 20% | Grant | Yes/No/No | €4M ⁽¹⁾ | €2M Animated €1M Feature €200k Docu | €50M 12/31/2015 | Each Resident & Nonresident Subject to Tax | No/No | Yes | Yes | 12/31/2015 | See Guidelines |

⁽¹⁾ Project cap may be increased up to €10 million (approximately USD \$13.6 million) if 35% of total production costs are German or the film achieves at least two-thirds of the possible points in the cultural test.

REQUIREMENTS: Be a resident, commercially domiciled, or have a business establishment in Germany, which has released at least one feature-length film in Germany within the five years prior to applying; contribute the equivalent of at least 5% of total production costs; **submit an application at least six weeks PRIOR to principal photography;** commence principal photography no later than four months AFTER the notification date of the grant; prior to the notification date, demonstrate that at least 75% of total production costs are financed; at least 20% of the financing must come from Germany; incur at least 25% (20% if the total production costs exceed €20 million or German production costs are at least €15 million) of total production costs in Germany; **score the required minimum points on the applicable cultural test;** and, release film in Germany within one year after completion of the final German version.

QUALIFIED SPEND: Qualified production costs include: all goods and services provided in Germany; wages, salaries, and fees for resident and nonresident cast and crew subject to taxation in Germany (aggregate cast fees qualify up to 15% of German production costs); and, air travel for crew to and from Germany if booked through a German travel agent.

Principal photography costs incurred outside Germany and provided by German cast and crew or companies may qualify (but are not included in calculating the 25% Germany threshold) as long as filming is limited to 40% of total principal photography (documentaries are exempt from the 40% limit) and the requirements of the script call for shooting on location, which cannot take place in Germany or only at an unreasonably high cost. Preproduction costs, foreign equipment, and travel for cast do not qualify.

SUMMARY: This program is administered on a first-come, first-served basis. **Germany offers a 20% grant calculated on the lesser of: 80% of the total production costs or 100% of the incurred German production costs.** Disbursement of the grant will take place after completion of the film, an audit of final costs, and proof that the grant requirements have been fulfilled. Upon request, the grant may be paid in disbursements of: 33% at the start of filming, 33% upon completion of the rough cut, and 34% after the audit of the final costs. There is a funding cap of €50 million for the calendar year 2015 and the maximum grant a project may earn is capped at €4 million. This program is scheduled to sunset on December 31, 2015.

HUNGARY

HUNGARIAN NATIONAL FILM FUND NON-PROFIT PRIVATE LIMITED COMPANY (MNF)

Budapest 1365 Pf. 748., Hungary, www.filmalap.hu

BALAZS ZACHAR, HEAD OF LEGAL AND EU RELATIONS: 36 1 461 1363, zachar.balazs@filmalap.hu

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP (HUF) | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | ACT NUMBER |
|-----------|-------------------|--|---------------------------------|------------------|---------------------------------------|---|--|------------------|-------------------|----------------|--|
| 25% | Rebate | Yes/No/No | No Cap | 0 | 122B Until Expended ⁽¹⁾ | Each Resident & Nonresident ⁽²⁾ | No/No | Yes | No ⁽³⁾ | 12/31/2019 | Act II of 2004 on Motion Picture |

⁽¹⁾ Cannot exceed 122 billion Hungarian Forints (HUF) (approximately USD \$535 million) through December 31, 2019. ⁽²⁾ Nonresident labor is eligible as long as 16% Hungarian income tax is withheld and remitted.

⁽³⁾ Film office will review costs as they are submitted for certification.

REQUIREMENTS: Production company must be registered in Hungary or in one of the EEA states; be registered with the National Film Office (NFO); have a Hungarian sponsor(s) who can utilize the deduction (productions without a sponsor may apply to MNF for the rebate on a first-come, first-served basis); report the start of filming to the NFO; **pass a Hungarian Cultural Test with a minimum of 16 points**; and, submit an application and supporting documents to the NFO at least 30 days PRIOR to the start of principal photography. There is no fee for a company's first application but any subsequent applications submitted prior to the first application's acceptance will be subject to a fee of HUF 50,000 + Value Added Tax (VAT). For MNF's activities of raising and paying subsidies, it may charge a maximum administration fee equal to 2.5% of the subsidy granted.

QUALIFIED SPEND: Qualified spend includes all costs incurred by the Hungarian production company paid to a Hungarian taxpayer (direct Hungarian spend) including travel costs to and from Hungary. **If at least 80% of all global costs are considered direct Hungarian spend than 100% of all global costs incurred by the Hungarian company**

are considered qualified spend. The non-Hungarian eligible spend is capped at 25% of the Hungarian eligible spend. Ineligible spend includes: copyright costs which exceed 4% of the budget; print and advertising costs which exceed 2% of the budget (maximum HUF 5 million); and, any producer's fees which exceed 4% of the budget.

SUMMARY: This program is administered on a first-come, first-served basis. Hungary offers a rebate equal to 25% of qualified production costs. The Hungarian sponsor may direct 50% of its payable tax to the custody account managed by the MNF or may make a sponsorship payment directly with the production company in the amount of the tax credit certified either (1) at the completion of production when total production costs are paid or (2) monthly or quarterly if the production is not completed within nine months or the direct production costs exceed HUF 150 million. **The MNF will distribute the subsidy to the production from the custody account.** This incentive program is scheduled to sunset on December 31, 2019.

ICELAND

FILM IN ICELAND

Sundagarðar 2, IS-104 Reykjavík, Iceland, www.filminiceland.com

EINAR HANSEN TOMASSON, FILM COMMISSIONER: 354 5114000, ainar@filminiceland.com

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP (ISK) | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|-----------|-------------------|--|---------------------------------|------------------|----------------------------------|--|--|------------------|-------|----------------|-------------|
| 20% | Rebate | Yes/No/No | No Cap | 0 | 1.137B ⁽¹⁾ 12/31/2015 | Each Resident & Nonresident Subject to Tax | No/Yes | Yes | Yes | 12/31/2016 | 43/1999 |

⁽¹⁾ Iceland may defer reimbursements that are in excess of the given yearly allocation until the following year.

REQUIREMENTS: Be a production company established in Iceland or be an Icelandic branch/agency of a company registered in another member state of the European Economic Area (EEA); **submit an application PRIOR to the start of principal photography in Iceland**; score a minimum of 4 points from the Cultural Criteria and a minimum of 23 points overall out of a possible 46 points; and, complete the production within three years from the date the application was submitted (a special request can be made to extend that time to a maximum of five years).

QUALIFIED SPEND: Qualified production costs include costs incurred in Iceland during preproduction, production, and postproduction. Preproduction costs can be included even if those costs were incurred prior to approval. **If more than 80% of the total production costs are incurred in Iceland, then all EEA costs may also be included in the 20% reimbursement calculation.** Payments to nonresident employees are eligible if

income tax is paid in Iceland. Payments to loan outs are eligible only if the loan out is an Icelandic entity formed through the Icelandic tax authorities and Icelandic income tax has been withheld.

SUMMARY: This program is administered on a first-come, first-served basis. Iceland offers a rebate equal to 20% of all qualified film production costs incurred in Iceland. In the event of a change in the estimated production costs after production begins, a new cost estimate must be submitted. **The request for reimbursement must be made within six months of the completion of costs incurred in Iceland.** While there is a funding cap of 1.137 billion Krona (ISK) (approximately USD \$8.6 million) for the calendar year 2015, there is not a limit on the rebate that may be earned by a project. This incentive program is scheduled to sunset on December 31, 2016.

ITALY

THE MINISTRY OF CULTURAL HERITAGE, ACTIVITIES AND TOURISM - GENERAL DIRECTION FOR CINEMA

Piazza di Santa Croce in Gerusalemme, 9/a, 00185 Roma, www.cinema.beniculturali.it

DR. NICOLA BORRELLI, DIRECTOR: 06 67233235, dg-c@beniculturali.it

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|-----------|-------------------|--|---------------------------------|------------------|----------------------------|--------------------------------|--|------------------|-------|----------------|--|
| 25% | Tax Credit | No/No/Yes ⁽¹⁾ | No Cap ⁽²⁾ | €0 | €115M Per Calendar Year | Each Resident & Nonresident | No/No | Yes | Yes | None | Finance Law of 2008 No. 244/2007 |

⁽¹⁾ The tax credit may be carried forward by the Italian executive producer indefinitely. ⁽²⁾ There is no longer a per project cap; however, there is an annual cap of €10 million per executive producer.

REQUIREMENTS: Commission an Italian executive producer who is taxable in Italy and registered in the Official Film Industry List to provide production services; submit a preliminary online application (must be signed by both the executive producer and foreign production company) to The Ministry of Cultural Heritage, Activities and Tourism (MiBACT); submit a declaration of fulfillment of the “Deggendorf clause” requirements to The Revenue Agency; **pass the Cultural Test (Table C) with a minimum of 50 points out of a maximum of 100 points**; and, within 30 days of the executive producer completing the commissioned activities, submit the final application (must be signed by both the executive producer and foreign production company) to the MiBACT.

QUALIFIED SPEND: Qualified Italian expenses consists of any production expenses incurred in Italy and paid by the Italian executive producer including but not limited to: financial and insurance expenses up to a maximum of 7.5% of total production costs; overhead expenses prorated between the number of shooting days and annual days up to a maximum of 7.5% of total production costs; and, production staff costs, net of social security contributions, up to a maximum of 25% of total production costs. Any **expenses incurred in another European Union Member State are treated as expenses incurred**

in Italy and are eligible up to a maximum of 30% of the global production budget.

Qualified Italian expenses are: capped at 60% of the global budget; specified item by item in Table D of the Decree; and, taken into account at full value if more than 50% of the total shooting days occur in Italy (if 50% or less, such expenses are prorated based on the number of shooting days in Italy and the total number of shooting days). Expenses related to studio and set construction, development and printing, rental of equipment, purchase of film, and postproduction are taken into account based on the costs actually incurred in Italy and are not prorated. Producer fees do not qualify for the tax credit.

SUMMARY: This program is administered on a first-come, first-served basis. Italy offers a nonrefundable, nontransferable 25% tax credit on qualified Italian expenses to Italian executive producers commissioned by a foreign film production company. **The foreign film production company should take into consideration the tax credit benefit to the executive producer when negotiating the production services contract.** It is not necessary for the executive producer to have taxable income as the tax credit may be used to offset Value Added Tax, corporate income tax, regional income tax, social contributions, and taxes withheld on labor costs.

MALAYSIA

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FILM IN MALAYSIA OFFICE (FIMO)

ROZITA WATY RIDZUAN, ASSISTANT DIRECTOR OF FILM IN MALAYSIA OFFICE: 603 41041362, rozita@finas.gov.my

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (MYR) | FUNDING CAP | QUALIFIED LABOR (MYR) | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|-----------|-------------------|--|---------------------------------|--|----------------|---|--|------------------|-------|----------------|-------------------|
| 30% | Rebate | Yes/No/No | No Cap | 5M Prod 385k TV ⁽¹⁾ 1.5M Post | No Cap | 1 st 7.5M of Each Resident & Nonresident | No/No | Yes | Yes | None | See Guidelines |

⁽¹⁾ A TV series must have an average minimum Qualifying Malaysian Production Expenditure (QMPE) of at least 385,000 Malaysian Ringgit (MYR) per hour.

REQUIREMENTS: Be a foreign production company that has appointed and commissioned a qualified Malaysian production services company or be a private limited production services company incorporated by a foreign production company under the Malaysian Companies Act 1965 and registered with the Companies Commission of Malaysia; be the party responsible for all activities that are necessary for production and/or postproduction in Malaysia; PRIOR to the start of preproduction (or postproduction for the postproduction only rebate), submit an application for a Provisional Certificate of approval to The Central Agency for Application for Filming and Performance by Foreign Artists (PUSPAL); **see that at least 30% of the production crew are either Malaysian citizens or persons having permanent Malaysian residency status;** hire the minimum number of interns required based on the size of the production; meet the minimum spend requirement; apply for a Final Certification after QMPE has ceased being incurred; and, provide a DVD of the completed production to FIMO.

QUALIFIED SPEND: QMPE includes: **the first MYR 7.5 million (approximately USD \$2.3 million) paid to each resident and nonresident for services performed in Malaysia**

(nonresident non-cast members must work in Malaysia for a minimum of two cumulative calendar weeks in order to qualify their wages, travel expenses, accommodations, and per diems); the use of Malaysian land; goods and services provided in Malaysia; travel to and from Malaysia if booked via a Malaysian travel agent (travel to/from Malaysia for personnel whose remuneration qualifies is limited to one round trip per person per project); and, 100% or 50% of airfare costs if flying on a Malaysian carrier or a non-Malaysian carrier, respectively. Nonresident cast members are not subject to the minimum work period requirement in order to qualify wages, travel expenses, accommodations, and per diems. QMPE does not include any costs incurred prior to the approval date from PUSPAL.

SUMMARY: This program is administered on a first-come, first-served basis. Malaysia offers a rebate equal to 30% of all QMPE for production and/or postproduction activity in Malaysia. **In the event that actual QMPE incurred is more than 10% of the approved production costs indicated in the Provisional Certificate, the applicant producer must obtain approval from FINAS for the cost over-run.** This program does not have a sunset date.

MEXICO

COMISIÓN MEXICANA DE FILMACIONES www.comefilm.gob.mx

KAREN WITT HERRERA, MEXICAN FILM COMMISSION COORDINATOR:

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| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (MXN) | FUNDING CAP (MXN) | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|--------------|-------------------|--|---------------------------------|---------------------------|-------------------------|--|--|------------------|-------|----------------|-------------------|
| 1.5% or 7.5% | Rebate | Yes/No/No | 17.5% ⁽¹⁾ | 40M Prod 10M Post | ⁽²⁾ | Each Resident & Nonresident Subject to Tax | No/Yes | Yes | Yes | None | See Guidelines |
| 16% | VAT Refund | Yes/No/No | | NA | No Cap | | | No | Yes | None | |

⁽¹⁾ The rebate and Value Added Tax (VAT) refund combined may not exceed 17.5% of the total eligible expenses incurred and invoiced in Mexico. ⁽²⁾ At the time of publication, the annual cap was not set.

REQUIREMENTS: For the Proaudiovisual (ProAV) rebate: be a registered taxpayer in Mexico or engage a Mexican production company or form a company in Mexico specifically for the production; apply PRIOR to the start of principal photography and PRIOR to reaching 30% of production time scheduled for the project (application will specify start and end dates of the production); spend a minimum of 40 million Mexican Pesos (MXN) (approximately USD \$3 million) for the production rebate, or MXN 10 million for the postproduction only rebate; and, have work partially or totally carried out in Mexico. For the VAT refund: be a Mexican company with a foreign investment; and, notify the Tributary Administration Service (SAT) in writing PRIOR to the beginning of production. **Loan out companies must be registered with SAT and submit Mexican invoices to the production company in order for payments made to them to qualify.**

QUALIFIED SPEND: Qualified spend for both the ProAV rebate and the VAT refund include all payments made in Mexico for goods and services (both above-the-line and below-the-line) with a Mexican invoice and that are taxable in Mexico. **For the ProAV rebate, expenses incurred before the start date specified in application do not qualify.**

SUMMARY: The ProAV rebate program is not administered on a first-come, first-served basis. Applications are approved by a subcommittee based on certain criteria including: fulfilling guidelines; promoting economic development; and, influencing the competitiveness of the audiovisual industry. The incentive program consists of: (1) a cash rebate of either 1.5% or 7.5% (ProAv) on documented expenses and (2) the refund of VAT incurred during production. **The VAT refund is 16% on qualified expenditures and the ProAV rebate is adjusted to either 1.5% or 7.5% so that the total incentive does not exceed 17.5%** of the production disbursements made in Mexico. The ProAv rebate cannot be used in conjunction with any other federal program but can be combined with the VAT refund or local programs. It will be paid between 45 to 60 days from filing the final application and providing proof of expenditures. Final reports must be submitted within 20 business days of the completion of production. Productions crossing several fiscal years may provide proof of eligible expenses for each phase at the end of each fiscal year. VAT refunds are administered on a first-come, first-served basis and can be requested either on a monthly basis after expenses have been incurred or at the end of the production. The estimated time for receiving the return of paid VAT is 90-120 business days.

NEW ZEALAND

NEW ZEALAND FILM COMMISSION

PO Box 11 546, Manners Street, Wellington 6142 NZ, www.nzfilm.co.nz

NAOMI WALLWORK, SCREEN INCENTIVE MANAGER: 64 4 382 7680, nzspg@nzfilm.co.nz

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (\$ NZD) | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|-------------------------|-------------------|--|---------------------------------|---|----------------|---|--|------------------|-------|----------------|-----------------------|
| 20% + 5% ⁽¹⁾ | Grant | Yes/No/No | No Cap | \$15M Film ⁽³⁾ | No Cap | Each Resident & Nonresident ⁽⁴⁾ | No/No | Yes | Yes | None | See NZSPG Criteria |
| 20% PDV ⁽²⁾ | Grant | Yes/No/No | No Cap | \$4M TV/Other ⁽³⁾ \$1M PDV ⁽³⁾ | No Cap | | | | Yes | | |

⁽¹⁾ The New Zealand Screen Production Grant (NZSPG) may be increased by 5% (see below). ⁽²⁾ Post, Digital and Visual Effects Grant (PDV). ⁽³⁾ Minimum spend consists of Qualifying New Zealand Production Expenditures (QNZPE) only. ⁽⁴⁾ Nonresident workers, with the exception of cast, must work a minimum of 14 days on the production in New Zealand for their labor costs to qualify.

REQUIREMENTS: Be a “special purpose vehicle” (SPV) with its own GST and payroll registration numbers and bank account; be a New Zealand (NZ) resident company or a foreign corporation operating with a fixed establishment in NZ; for television and other non-feature films, begin and complete principal photography within a 24-month period; and, **submit a final application no later than three months from completion of production in NZ.** See the NZSPG Criteria for exceptions to the unique SPV requirement.

QUALIFIED SPEND: For NZSPG, QNZPE includes costs for: goods purchased and services provided in NZ; goods purchased outside of NZ but used during production in NZ; labor costs for nonresident crew (both above-the-line and below-the-line) that work a minimum of 14 days on the production in NZ; labor costs for resident and nonresident performing artists; the use of land in NZ; all NZ development and production expenditures; NZ copyright acquisition; **NZ business overhead (cannot exceed 5% of total QNZPE or NZD \$500,000);** NZ publicity/promotion expenditures and additional audiovisual content incurred prior to completion of the production; travel to NZ; production insurance and freight if paid to a NZ entity; and, completion bonds. For PDV (productions not shot in NZ),

only QNZPE related to postproduction, digital, and visual effects qualify.

SUMMARY: Both grants are administered on a first-come, first-served basis. **An individual production cannot qualify for both grants.** The NZSPG is equal to 20% of QNZPE. Film productions with QNZPE of NZD \$30 million or more (NZD \$25 million or more for TV/other productions) may earn an additional 5% by obtaining at least 20 out of 30 points (with at least three points from Section D) on the Significant Economic Benefits Test (SEBT). Applicants who incurred QNZPE of NZD \$100 million or more in the previous five years or film productions with QNZPE of NZD \$150 million or more (NZD \$80 million or more for TV/other productions) will pass the SEBT with only three points from Section D. Interim applications may be submitted each time QNZPE reaches NZD \$50 million (approximately USD \$43.6 million) or more. Multiple productions can be bundled together to qualify for the NZSPG as long as the specified criteria are met. The additional grant (for productions with QNZPE exceeding NZD \$200 million) on guaranteed deferrals or participation payments payable to NZ tax residents is no longer available.

SOUTH AFRICA

NELLY MOLOKOANE, DIRECTOR OF INCENTIVES ADMINISTRATION: 27 (12) 394 1425, nmolokoane@thedti.gov.za

DEPARTMENT OF TRADE AND INDUSTRY (DTI)

77 Meintjies Street, Sunnyside, Pretoria, Gauteng, 0002, www.thedti.gov.za

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP (R) | MINIMUM SPEND (R) | FUNDING CAP (R) | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|---|-------------------|--|--|-------------------------|---------------------------------|--------------------------|--|------------------|-------|----------------|-------------------|
| 20% + 2.5% or 5% ⁽¹⁾ 17.5% or 20% ⁽²⁾ | Rebate | Yes/No/No | 50M ⁽³⁾ | 12M ⁽⁴⁾ | 340M | Each Resident/Citizen | Yes 15%/No | Yes | Yes | 3/31/2017 | See Guidelines |
| | Rebate | Yes/No/No | 50M ⁽³⁾ | 1.5M ⁽⁴⁾ | Per Fiscal Year (4/1 - 3/31) | | | | Yes | | |

⁽¹⁾ An additional 2.5% or 5% of Qualifying South African Postproduction Expenditure (QSAPPE) may be earned if postproduction expenses in South Africa (SA) meet the appropriate threshold. ⁽²⁾ A foreign production conducting only postproduction in SA may earn 17.5% of QSAPPE if QSAPPE is at least 1.5 million Rand (R) or 20% if QSAPPE is R 3 million or more. ⁽³⁾ Approximately USD \$4.3 million. ⁽⁴⁾ R 12 million for the production incentive; R 1.5 million for the postproduction incentive.

REQUIREMENTS: Be a Special Purpose Corporate Vehicle incorporated in SA; **be the entity responsible for all activities involved in the production;** submit an application and receive an approval letter from the DTI before commencing principal photography (for the postproduction rebate, submit an application prior to the start of postproduction); commence principal photography within the three month period prescribed by the DTI; film a minimum of four weeks and at least 50% of scheduled principal photography in SA for productions with Qualifying South African Production Expenditure (QSAPE) of R 12 million to R 99,999,999 (this requirement may be waived for productions with QSAPE of R 100 million or more); for the postproduction incentive, conduct a minimum of two weeks of postproduction in SA for postproductions with QSAPPE of R 1.5 million or more (this requirement will be waived if 100% of postproduction is done in SA); and, provide the DTI with screen credit and a complete DVD of the production.

QUALIFIED SPEND: QSAPE includes: production costs for intellectual property and goods owned or facilities and services provided by SA companies; goods and services

provided outside SA as long as the shooting requirement is met; and, expenses for travel, accommodation, and per-diem paid to nonresident crew while based in SA. **Production costs must be paid through a SA bank account in order to qualify.** SA business overhead expenses do not qualify if such costs exceed the lower of 2% of the total production expenditure or R 200,000.

SUMMARY: This program is not administered on a first-come, first-served basis. The DTI has the sole discretion in approving projects and the final amount of each claim. Productions shooting in SA may earn a 20% rebate on QSAPE plus an additional 2.5% or 5% (cumulative 22.5% or 25%) of QSAPPE if postproduction activities conducted in SA are between R 1.5 million and R 3 million or exceed R 3 million, respectively. **Compensation paid directly to foreign actors or to their loan out does not qualify but is subject to 15% SA withholding tax.** There is a funding cap of R 340 million (approximately USD \$32 million) for the 2015 fiscal year (April 1 - March 31) and the maximum rebate a project may earn is capped at R 50 million.

SOUTH KOREA

THE KOREAN FILM COUNCIL (KOIFC)

13f, 55 Centum Jungang-ro (U-Dong), Haeundae-gu, Busan, Korea (612-020), www.koreanfilm.or.kr

YOUNG-GU KIM, REGIONAL MANAGER OF CHINA: 82 51 720 7493, briskyg@kofic.or.kr

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND (KRW) | FUNDING CAP (KRW) | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | SUNSET DATE | LEGISLATION |
|--|-------------------|--|---------------------------------|---|----------------------|--------------------|--|------------------|-------|----------------|-------------------|
| 20% ⁽¹⁾ 25% ⁽¹⁾ 30% ⁽¹⁾ | Rebate | Yes/No/No | No Cap | ≥ 100M ≤ 500M ⁽²⁾ > 500M ≤ 2B ⁽²⁾ > 2B ⁽²⁾ | 1B 12/31/2015 | Each Resident | No/No | Yes | Yes | None | See Guidelines |

⁽¹⁾ 20%, 25%, or 30% rebate if shooting no less than three, seven, or ten days in South Korea and spending between 100 million South Korean Won (KRW) and KRW 500 million, KRW 500 million and KRW 2 billion, or more than KRW 2 billion, respectively. ⁽²⁾ Minimum Qualified Production Expenditures (QPE).

REQUIREMENTS: Applicant must be a corporation organized and registered in South Korea; submit a Provisional Application no earlier than three months and no later than one month PRIOR to the commencement of principal photography in South Korea; show that more than 80% of the production costs come from foreign capital; receive approval from the Review Committee based on established criteria; spend no less than KRW 100 million and shoot no less than three days in South Korea; and, **submit the Final Application within 12 months of the Provisional Application submission and within one month of completing production activities in South Korea.**

QUALIFIED SPEND: Qualified spend includes expenditures incurred (even if incurred prior to submitting the Provisional Application) **from six months prior to the start of principal photography in South Korea through postproduction**; goods and services provided by businesses in South Korea; services provided in South Korea by residents subject to South Korean income tax withholding; and, travel to South Korea, if booked through a South Korean travel agent. Postproduction costs or labor costs of cast and crew are limited to 50% of the total QPE. Nonresident cast and crew per diem is not considered QPE.

SUMMARY: This program is not administered on a first-come, first-served basis. All applications are assessed by the Review Committee and, if approved, the production company and KOIFC will enter into an agreement. South Korea offers a cash rebate equal to 20%, 25%, or 30% of QPE, depending on the amount of spend and the number of principal photography days in South Korea (see above). **The rebate is calculated net of VAT and is subject to taxation.** If principal photography does not commence within three months after entering into the agreement, KOIFC may cancel the agreement and corresponding grant. Applicants may request a one-time partial settlement of the grant before the production is completed by submitting required documents including a certificate of performance bond and an audited expenditure statement for the costs incurred to date. Upon review and approval of the final application (which must be accompanied by an audited financial expenditure statement), the KOFIC will transfer the approved amount to the applicant's South Korean bank account. While there is a funding cap of KRW 1 billion (approximately USD \$1 million) for the calendar year 2015, which may be increased for high-marketing value projects, there is not a limit on the rebate that may be earned by a project. There is no sunset date for this program.

UNITED KINGDOM - FILM

BRITISH FILM COMMISSION

2029 Century Park East, Suite 1350, Los Angeles, CA 90067, www.britishfilmcommission.org.uk

KATTIE KOTOK, EVP US PRODUCTION: 310-843-2909, info@britishfilmcommission.org

| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | REVIEW DATE | LEGISLATION |
|--|-------------------|--|---------------------------------|----------------------------|----------------|--------------------------------|--|------------------|-------|----------------|--|
| 25% ⁽¹⁾ 20% ⁽¹⁾ | Tax Credit | Yes/No/No | No Cap | 10% UK Core Expenditure | No Cap | Each Resident & Nonresident | No/No | No | Yes | 12/31/2015 | Finance Act 2006 - C.3, Sch.4, & Sch.5 |

⁽¹⁾ 25% on the first £20 million (approximately USD \$34 million) of qualifying UK expenditure and 20% on qualifying UK expenditure in excess of £20 million.

REQUIREMENTS: The Film Production Company (FPC) responsible for the entire production of the film must be taxable in the UK; film must be intended for theatrical release; be certified as a British film by either: (1) **passing the cultural test with at least 18 out of 35 points** or (2) **qualify as an official co-production** (under the UK's bilateral co-production treaties or European Convention on Cinematic Co-Production); and, a minimum of 10% of the total (both UK and non-UK) core expenditure must be UK expenditures.

QUALIFIED SPEND: Core expenditure consists of expenditures incurred by a British FPC during preproduction, principal photography, and postproduction. It excludes any expenses incurred during development, distribution, or other non-production activities. **Core expenditure eligible for Film Tax Relief (FTR) must be a UK expenditure (defined as an expenditure "used and consumed" in the UK).** Therefore, when determining whether an expense will qualify as a UK expenditure, it is important to look at where the good or service was "used and consumed" rather than where the good or service was

purchased or contracted. For example, the expense of a car purchased in the United States by a British FPC that was used as a prop during principal photography in the UK will qualify as a UK core expenditure because the car was "used and consumed" (during a qualifying phase of production) in the UK (England, Northern Ireland, Scotland or Wales), regardless of the fact that it was purchased overseas.

SUMMARY: The UK offers British FPCs Film Tax Relief of up to 25% of qualifying UK expenditure on British qualifying films intended for theatrical release. Films with budgets up to £20 million will receive a tax credit equal to 25% of qualifying UK expenditure, while films with budgets that exceed £20 million will receive 25% on the first £20 million of qualifying UK expenditure and 20% on qualifying UK expenditure thereafter. Tax relief is available on qualifying UK production expenditure equal to the lesser of: 80% of the total core expenditure or 100% of the incurred UK core expenditure. **When properly structured, an FPC may be able to make interim claims throughout the course of production.**

UNITED KINGDOM - TV

BRITISH FILM COMMISSION

2029 Century Park East, Suite 1350, Los Angeles, CA 90067, www.britishfilmcommission.org.uk

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| INCENTIVE | TYPE OF INCENTIVE | REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD | PER PROJECT INCENTIVE CAP | MINIMUM SPEND | FUNDING CAP | QUALIFIED LABOR | LOAN OUT WITHHOLDING/ REGISTRATION | SCREEN CREDIT | AUDIT | REVIEW DATE | LEGISLATION |
|-----------|-------------------|--|---------------------------------|---|----------------|--------------------------------|--|------------------|--------------------|----------------|------------------------|
| 25% | Tax Credit | Yes/No/No | No Cap | 25% UK Core Expenditure ⁽¹⁾ | No Cap | Each Resident & Nonresident | No/No | No | Yes ⁽²⁾ | None | CTA 2009 - Part 15A |

⁽¹⁾ Minimum core expenditure of £1 million (approximately USD \$1.7 million) per broadcast hour. Individual episodes of 30 minutes or less may qualify for tax relief when commissioned together; however, the £1 million average core expenditure per hour requirement must still be met. ⁽²⁾ If Section C and/or Section D are used to pass the high-end television cultural test on the final application, an audit is required.

REQUIREMENTS: PRIOR to the start of principal photography, the Television Production Company (TPC) responsible for the entire production of the TV project must be incorporated in the UK; if not animation, the TV project must be more than 30 minutes in length; TV project must be intended for broadcast (including internet broadcast); be certified as British by either: (1) passing the cultural test with at least 16 out of 31 points or (2) qualify as an official co-production; 25% or more of total core expenditures must be UK expenditure; and, meet the minimum core expenditure requirement of £1 million per broadcast hour.

QUALIFIED SPEND: Core expenditure consists of expenditures incurred by a British TPC during preproduction, principal photography, and postproduction. It excludes any expenses incurred during development, distribution, or other non-production activities, as well as any costs incurred prior to April 1, 2013. Core expenditure eligible for High-End Television Tax Relief must be a UK expenditure (defined as an expenditure “used and consumed” in the UK). Therefore, **when determining whether an expense will qualify**

as a UK expenditure it is important to look at where the good or service was “used and consumed” rather than where the good or service was purchased or contracted.

For example, the expense of a car purchased in the United States by a British TPC that was used as a prop during principal photography in the UK will qualify as a UK core expenditure because the car was “used and consumed” (during a qualifying phase of production) in the UK (England, Northern Ireland, Scotland or Wales), regardless of the fact that it was purchased overseas.

SUMMARY: The UK offers British TPCs High-End TV Tax Relief equal to 25% of qualifying UK expenditure on British qualifying television programs intended for broadcast. **Tax relief is available on qualifying UK production expenditures on the lesser of: 80% of the total core expenditure or 100% of the incurred UK core expenditure.** When properly structured, a TPC may be able to make interim claims throughout the course of production.

NOTES

NOTES

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