

FILM INCENTIVE BC

Film Incentive BC (FIBC) is an economic initiative designed to encourage film, television, digital animation and visual effects production in British Columbia. Eligible applicants are film, television and animation production corporations with a permanent establishment in BC that are owned and controlled by Canadians, and have incurred qualifying labour expenses in British Columbia.

HOW FIBC WORKS

FIBC is a refundable corporate income tax credit. When filing tax returns, production corporations may claim a specified percentage of the labour costs incurred in making film, television, digital animation or visual effects productions. The credits are applied to reduce tax payable, and any remaining balance is paid to the corporation.

The production corporation must apply to CREATIVE BC to receive an eligibility certificate and a completion certificate for the production. In order to claim the FIBC tax credits, the production corporation must file a corporate income tax return, along with the certificates, to the Canada Revenue Agency.

GENERAL ELIGIBILITY RULES

Production corporations and their productions must meet the following minimum conditions to qualify for FIBC:

- The production corporation claiming the tax credit must be a BC-based Canadian-controlled corporation;
- The “producer” of the production must be a BC-based individual who is a Canadian;
- The production must be Canadian content;
- More than 50% of the copyright of the production must be owned by the BC-based Canadian-controlled corporation;
- At least 75% of the principal photography days of the production must be done in British Columbia;
- At least 75% of the cost of production must be paid to BC-based individuals or corporations;
- At least 75% of the cost of post-production work for the production must be carried out in British Columbia;
- The production must be completed within 24 months of the end of the taxation year in which principal photography began;
- There are exceptions for treaty co-productions, interprovincial co-productions and documentaries;
- Some genres are excluded from FIBC including, but not limited to, pornography, talk shows, news, live sports events, game shows, reality television, and advertising.

TAX CREDIT	VALUE	TAX CREDIT AMOUNT CALCULATED ON...
Basic	35%	The qualified BC labour expenditure of the corporation to a maximum of 60% of the total cost of production.
Regional	12.5%	The qualified BC labour expenditure of the corporation prorated by the number of principal photography days in British Columbia outside of the designated Vancouver area to the total days of principal photography in BC. This tax credit must be accessed in conjunction with the Basic tax credit.
Distant Location Regional	6%	The qualified BC labour expenditure of the corporation prorated by the number of days of principal photography in British Columbia within a prescribed area to the total days of principal photography in BC. This tax credit must be accessed in conjunction with the Regional tax credit.
Training	30%	The amount paid to a BC-based individual registered in an approved training program. This tax credit is capped at 3% of the corporation’s qualified BC labour expenditure and must be accessed in conjunction with the Basic tax credit
Digital Animation, Visual Effects and Post Production	17.5%*/16%**	The BC labour expenditures directly attributable to digital animation, visual effects and post production activities. This tax credit must be accessed in conjunction with the Basic tax credit.

*For productions with a principal photography start date up to September 30, 2016

** For productions with a principal photography start date after September 30, 2016

For copies of the tax credit guidelines, legislation, regulations and application forms go to www.creativebc.com