

FILM INCENTIVE BC AND INTERPROVINCIAL CO-PRODUCTIONS

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 that have incurred qualifying BC labour expenses. Production corporations that enter into an interprovincial co-production agreement may be eligible to access FIBC provided that they meet the requirements of FIBC legislation and the regulations. An interprovincial co-production is a film or video production that is jointly produced in more than one province in accordance with an interprovincial co-production agreement between an eligible production corporation that has a permanent establishment in BC and one or more other Canadian-controlled production corporations.

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. 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 for Interprovincial Co-Productions

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 British Columbia portion of the production must be a BC-based individual who is a Canadian;
- The production must be Canadian content (i.e. meet the minimum key creative point requirements);
- More than 50% of the copyright of the production must be owned by the BC-based Canadian-controlled corporation (vis-à-vis the non-BC co-producer(s) and any other copyright owners);
- At least 75% of the cost of producing the British Columbia portion of the production must be paid to BC-based individuals or corporations for work done in BC (for documentaries, at least 75% of the cost of producing the BC portion of the production must be paid to BC-based individuals or corporations);
- At least 50% of the cost of post-production work (excluding stock footage rights) must be carried out in British Columbia;
- At least 20% of the cost of the production is attributable to the BC production corporation;
- The production must be completed within 24 months of the end of the taxation year in which principal photography began;
- There must be a written agreement with a Canadian distributor or broadcaster to have the production shown in Canada within 24 months of completion;
- The BC production corporation must retain a reasonable revenue interest in non-Canadian markets;
- Some genres are excluded from FIBC including, but not limited to, pornography, talk shows, news, live sports events, game shows, reality television, and advertising.

Calculating the Tax Credit Amount

The program includes six initiatives: Basic, Regional, Distant Location Regional, Training, Digital Animation, Visual Effects and Post-Production (DAVE) and Scriptwriting. The tax credit amounts are calculated on the qualified BC labour expenditure (QBACLE) of the corporation.

TAX CREDIT (FIBC)	VALUE	TAX CREDIT AMOUNT CALCULATED ON ...
Basic	35%	QBACLE to maximum of 60% of the total cost of production (excluding assistance).
Regional*	12.5%	QBACLE 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.
Distant Location Regional*	6%	QBACLE 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 QBACLE.
DAVE*	16%**	QBACLE directly attributable to digital animation, visual effects and post production activities.
Scriptwriting*	35%	The labour expenditure paid to a BC-based scriptwriter that are directly attributable to the development of script material of a production that are incurred either after February 20, 2018 or 2 years before the principal photography start date (whichever is later) and before the end of the final script stage of the production.

* must be accessed in conjunction with the Basic tax credit.

** for productions with a principal photography start date before October 1, 2016, please [contact Creative BC](#) for more information.

Resources and Forms (available at creativebc.com)

- [Application Check List – Eligibility](#) , [Application Check List - Completion](#)
- [Schedule A – Declaration of BC Residency](#)
- [Schedule B – Certificate of an Officer](#)
- [Template – Schedule of BC/Non-BC Costs](#)
- [Regional + Distant Location Map](#)
- [Online Application](#)
- [FIBC Tax Credit Calculator](#)
- [Canadian Audio-Visual Certification Office \(CAVCO\)](#) – for federal tax credit information

Note: This document is intended as a general overview. It is not exhaustive and should not be relied upon to determine eligibility or the final amount of an anticipated tax credit. In case of any discrepancies between this document and the Income Tax Act (BC) and Regulations (the "Act"), the provisions of the Act prevail.