

PRODUCTION SERVICES TAX CREDIT

CHECKLIST FOR ACCREDITATION OF PRODUCTION

Note: a corporation is entitled to a tax credit in respect of a taxation year if the corporation files with the Canada Revenue Agency all information and records required for the tax credit within 36 months after the end of that taxation year, including an Accreditation Certificate. It is advisable to submit your application for an Accreditation Certificate to British Columbia Film within 30 months of the Corporation's taxation year end to provide for sufficient processing time.

Effective July 1, 2010 the Goods and Services Tax (GST) of 5% will be replaced by the Harmonized Sales Tax (HST) of 12%.

A. Application

- Administration fee of \$5,500 (*plus GST or HST*) per production (payable to BRITISH COLUMBIA FILM);
- A fully completed PSTC application form completed by an Authorized Representative of the Applicant (Always use the online application form or the current paper version available on BC Film's website);

B. Accredited Production Corporation

- Proof of permanent establishment in British Columbia (e.g. lease agreement, bank statement, etc.) showing the Applicant's name and permanent establishment address in BC;

C. Accredited Production

- A brief synopsis of the Production;
- Complete chain of title documentation or, preferably, a legal opinion letter attesting to the copyright ownership in the Production;
- Affidavit for Official Designee, if Applicant is not the copyright owner;
- Copy of the production services agreement between the copyright owner and the Applicant, if the Applicant is not the copyright owner;
- Locked and signed production budget (budget top sheet accepted). *If the budget is not in Canadian dollars, provide currency exchange rate;*
- Breakdown of BC labour expenditure that reconciles to the locked production budget. *If the breakdown is not in Canadian dollars, provide currency exchange rate;*
- If applying for the Regional, or for the Regional and Distant Location Production Services Tax Credits, a copy of the daily production reports verifying the location(s) of each shooting day in British Columbia;
- If applying for the Digital Animation or Visual Effects Tax Credit:
 - o a description of the methodology used to determine on-set DAVE labour (if applicable);
 - o a description of the methodology used to determine if an effect is created primarily (i.e. greater than 50%) with digital technology (*including calculation based on estimated DAVE costs*); and
 - o a detailed breakdown of estimated BC labour expenditure directly attributable to digital animation or visual effects activities;

The Certifying Authority and British Columbia Film reserve the right to request additional documentation, including but not limited to a DVD copy of the completed Production, to be supplied in a timely manner in order to assess the application.

*All documentation or information received in respect to an application for a Production Services Tax Credit Accreditation Certificate is subject to the confidentiality provisions of the **Freedom of Information and Protection of Privacy Act** and the **Income Tax Act (British Columbia)**, and will be maintained in strictest of confidence by the Certifying Authority and British Columbia Film.*

WARNING: False or misleading information will result in automatic denial of the tax credits, and may lead to prosecution under the **Income Tax Act (British Columbia)**.

CONTACTS:

The Certifying Authority is the Minister of Tourism, Culture and the Arts. The Production Services Tax Credit is administered by British Columbia Film. Inquiries and applications should be directed to British Columbia Film, 2225 West Broadway, Vancouver, BC, V6K 2E4. Tel: 604-736-7997, Fax: 604-736-7290, www.bcfilm.bc.ca