



British Columbia Film and Television Tax Credit (2014 and later tax years)

Corporation's name	Business number	Year	Tax year-end Month	Day
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• Use this form to claim the following credits under the *Income Tax Act* (British Columbia):

- basic tax credit (section 80), complete Parts 1, 2, 3, 4, 5, 7 and 12;
- regional tax credit (section 81.1), complete Part 8;
- distant location regional tax credit (section 81.11), complete Part 9;
- film training tax credit (section 82), complete Part 10; and
- digital animation or visual effects tax credit (section 81.2), complete Parts 6 and 11.

Do not use this area

Code number **422**

• To claim any of the above credits, include the following with the *T2 Corporation Income Tax Return*:

- eligibility certificate (or a copy);
- if the production was completed in the tax year, include a copy of the completion certificate and a copy of the audited statement of production costs and notes provided to Creative BC; and
- a completed copy of this form for each eligible production. If a film or video production is intended for television broadcast as a series, all the episodes constituting one cycle of the series are to be considered a single production.

Freedom of Information and Protection of Privacy Act (FOIPPA)

The personal information on this form is collected for the purpose of administering the *Income Tax Act* (British Columbia) under the authority of section 26 (a) of the FOIPPA. Questions about the collection or use of this information can be directed to the Manager, Intergovernmental Relations, PO Box 9444 Stn Prov Govt, Victoria BC V8W 9W8. (Telephone: Victoria at **250-387-3332** or toll-free at **1-877-387-3332** and ask to be re-directed). Email: ITBTaxQuestions@gov.bc.ca

Part 1 – Contact Information (please print)

151 Name of person to contact for more information	153 Telephone number including area code
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Part 2 – Identifying the film or video production

301 Title of production	302 Date principal photography began	Year	Month	Day
304 Title of production (from eligibility certificate if different than line 301)	303 Eligibility certificate number			
Was the production completed in the tax year?	310	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>	
Has a completion certificate been obtained?	311	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>	
Is the production an interprovincial co-production?	312	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>	
Is the production a treaty co-production?	313	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>	

Part 3 – Eligibility

If you answer **yes** to any of the questions in this part, **you are not eligible** for a British Columbia film and television tax credit.

Was the corporation at any time in the tax year controlled directly or indirectly in any manner whatever by one or more persons, all or part of whose taxable income was exempt from tax under section 27 of the *Income Tax Act* (British Columbia) or Part I of the federal *Income Tax Act*? **220** 1 Yes 2 No

Was all or part of the corporation's taxable income at any time in the tax year exempt from tax under section 27 of the *Income Tax Act* (British Columbia) or Part I of the federal Act? **222** 1 Yes 2 No

Was the corporation at any time in the tax year:

a) a prescribed labour-sponsored venture capital corporation for the purposes of section 127.4 of the federal Act? **230** 1 Yes 2 No

b) a small business venture capital corporation registered under section 3 of the *Small Business Venture Capital Act*? **235** 1 Yes 2 No

c) a corporation that has an employee share ownership plan registered under section 2 of the *Employee Investment Act*? **240** 1 Yes 2 No

d) registered as an employee venture capital corporation under section 8 of the *Employee Investment Act*? **245** 1 Yes 2 No

Has the corporation claimed a British Columbia production services tax credit for this production? **250** 1 Yes 2 No

In the case of a production that is an interprovincial co-production, is 50% or less* of the copyright in the production owned by the corporation or owned by the corporation and **one or both** of an eligible production corporation related to the corporation, and the Film Development Society of British Columbia? (Complete calculation below) **255** 1 Yes 2 No

Percentage of copyright owned by the corporation. % A

Total Copyright. 100 % a

Deduct:

Percentage of copyright owned by federal and provincial agencies with a mandate to finance film or video productions in Canada % 1

Percentage of copyright owned by non-profit organizations that have a fund used to finance film or video productions % 2

Subtotal (amount 1 **plus** amount 2) % ▶ % b

Subtotal (amount a **minus** amount b) % ▶ % B

Percentage of copyright owned for the purpose of the basic tax credit calculation (amount A **divided by** amount B) % C
(Enter amount on line 610 at Part 7)

* In the case of a production that is an interprovincial co-production that began principal photography before January 1, 2012, the percentage is 20% or less of the copyright owned by the corporation or by an eligible production corporation that is related to the corporation.

Part 4 – Production cost limit

Cumulative production cost as at the end of the tax year (include current and prior year production costs) **405** D

Deduct:

Government or non-government assistance that the corporation has not repaid **410** E

Subtotal (amount D **minus** amount E) F

Amount F × applicable rate* = G

* If principal photography begins before March 1, 2010, use 48%
If principal photography begins after February 28, 2010, use 60%

Deduct:

Qualified BC labour expenditure claimed in all previous tax years **420** H

Production cost limit (amount G **minus** amount H) **480** I

75% of the cost of producing the British Columbia portion of the production must be payable for **goods or services provided in British Columbia** by BC-based individuals or BC-based corporations. For documentaries, 75% of the cost of producing the British Columbia portion of the production must be payable for **goods or services** provided by BC-based individuals or BC-based corporations.

Part 5 – Qualified BC labour expenditure

BC labour expenditure for the tax year includes amounts:

- incurred from the final script stage to the end of the post-production stage;
- incurred in the tax year or previous tax year and that did not form part of the claimant's BC labour expenditure for the previous tax year;
- paid during the tax year or within 60 days after the end of the tax year;
- that are directly attributable to the production; and
- that are for services provided by BC-based individuals.

For eligible productions with principal photography that begins after February 19, 2008, a BC-based individual is defined as an individual who was resident in British Columbia on December 31 of the year preceding the end of the tax year for which the corporation claims this credit.

BC labour expenditure does not include amounts paid that are included in a British Columbia interactive digital media tax credit claim.

BC labour expenditure for the tax year is the total of:

Salary or wages paid that are directly attributable to the production **505** _____ J

Add:

Remuneration directly attributable to the production paid to:

– BC-based individuals **515** _____ c

– taxable Canadian corporations (solely owned by a BC-based individual) **516** _____ d

– other taxable Canadian corporations (for their BC-based employees) **520** _____ e

– partnerships carrying on business in Canada (for their BC-based members or employees) **521** _____ f

Subtotal (total of amounts c to f) ▶ _____ K

Add:

Labour expenditure that would have qualified as a BC labour expenditure transferred under a reimbursement agreement by the corporation, a wholly owned subsidiary, to the parent corporation that is a taxable Canadian corporation **525** _____ L

BC labour expenditure for the tax year (total of amounts J to L) _____ M

Unclaimed BC labour expenditure from the previous tax year:

Total BC labour expenditure for the previous tax year (amount N from previous tax year) . . . **530** _____ g

Deduct:

Qualified BC labour expenditure claimed in the previous tax year (line 590 from the previous tax year) **535** _____ h

Subtotal (amount g **minus** amount h) (if negative, enter "0") ▶ _____ N

Subtotal (amount M **plus** amount N) _____ O

Deduct:

BC labour expenditure transferred under a reimbursement agreement by the parent corporation, that is a taxable Canadian corporation, to the corporation, a wholly owned subsidiary. **550** _____ P

Total BC labour expenditure for the tax year (amount O **minus** amount P) _____ Q

Qualified BC labour expenditure for the tax year (the lesser of amount I in Part 4 and amount Q) **590** _____ R

Part 6 – Qualified BC labour expenditure directly attributable to digital animation or visual effects (DAVE) activities

BC labour expenditure directly attributable to DAVE activities (DAVE BC labour expenditure) for the tax year is the total of:

Salary or wages paid that are directly attributable to the production's DAVE activities	710	_____ S
Add:		
Remuneration directly attributable to the production's DAVE activities paid to:		
– BC-based individuals	715	_____ i
– taxable Canadian corporations (solely owned by a BC-based individual)	720	_____ j
– other taxable Canadian corporations (for their BC-based employees)	725	_____ k
– partnerships carrying on business in Canada (for their BC-based members or employees)	726	_____ l
Subtotal (total of amounts i to l)	▶	_____ T
Add:		
Labour expenditure that would have qualified as a DAVE BC labour expenditure transferred under a reimbursement agreement by the corporation, a wholly owned subsidiary, to the parent corporation that is a taxable Canadian corporation ..	730	_____ U
DAVE BC labour expenditure for the current tax year (total of amounts S to U)		_____ V
DAVE BC labour expenditure for the previous tax years	733	_____ W
DAVE BC labour expenditure for the current tax year and previous tax years (amount V plus amount W)	735	_____ X
Deduct:		
All government or non-government assistance that the corporation has not repaid and can be reasonably considered to be attributable to DAVE BC labour expenditure	740	_____ m
All DAVE Qualified BC labour expenditure claimed in the previous tax years	745	_____ n
DAVE BC labour expenditure transferred under a reimbursement agreement by the parent corporation, that is a taxable Canadian corporation, to the corporation, a wholly owned subsidiary	750	_____ o
Subtotal (total of amounts m to o)	▶	_____ Y
DAVE Qualified BC labour expenditure for the tax year (amount X minus amount Y)		_____ Z
If principal photography begins after February 28, 2010, complete amount AA		
DAVE Qualified BC labour expenditure for the tax year incurred after February 28, 2010	755	_____ AA
(enter the portion of amount Z incurred after February 28, 2010)		

Part 7 – Basic tax credit

Qualified BC labour expenditure for the tax year (amount R from Part 5)	_____	× 35% =	_____ BB
For interprovincial co-productions where the principal photography began before January 1, 2012 the amount calculated on line C in Part 3, otherwise enter "100"	610		_____ % CC
Basic tax credit (amount BB multiplied by amount CC)	620		_____ DD

Part 8 – Regional tax credit

To be eligible for a regional tax credit, principal photography for the production, or at least three of the qualifying episodes of a series (see note) must be done in British Columbia outside of the designated Vancouver area for a minimum of five days and must be more than 50% of the total number of principal photography days in British Columbia.

Qualified BC labour expenditure for the tax year (amount R from Part 5)	_____	p
Deduct:		
Qualified BC labour expenditure related to episodes that do not qualify for the regional tax credit, if this is a series intended for television broadcast (see note)	690 _____	q
Qualified BC labour expenditure for the purpose of the regional tax credit calculation (amount p minus amount q)	_____	▶ _____ EE
Total number of days* outside the designated Vancouver area	695 _____	= _____ FF
Total number of days*	700 _____	
Prorated qualified BC labour expenditure (amount EE multiplied by amount FF)	_____	GG
Regional tax credit (amount GG multiplied by 12.5%)	705 _____	HH

Note
 Qualifying episode means an episode of a film or video production that is intended for television broadcast as a series and that comprises a cycle of at least three episodes.

* Principal photography days of the qualifying production or qualifying episodes in British Columbia

Part 9 – Distant location regional tax credit when principal photography begins after February 19, 2008

To be eligible for a distant location regional tax credit, principal photography of the production, or at least three of the qualifying episodes of a series (see note) must be done in British Columbia in a distant location for a minimum of one day and the production must qualify for the regional tax credit.

Qualified BC labour expenditure for the tax year (amount R from Part 5 incurred after December 31, 2007)	_____	r
Deduct:		
Qualified BC labour expenditure related to episodes that do not qualify for the distant location regional tax credit, if this is a series intended for television broadcast (see note)	655 _____	s
Qualified BC labour expenditure for the purpose of the distant location regional tax credit calculation (amount r minus amount s)	_____	▶ _____ II
Total number of days* in a distant location	660 _____	= _____ JJ
Total number of days*	665 _____	
Prorated qualified BC labour expenditure (amount II multiplied by amount JJ)	_____	KK
Distant location regional tax credit (amount KK multiplied by 6%)	670 _____	LL

Note
 The qualifying episodes for the distant location regional tax credit are the same as the qualifying episodes for the regional tax credit.

* Principal photography days of the qualifying production or qualifying episodes in British Columbia

Part 10 – Film training tax credit

BC labour expenditure paid to BC-based individuals in an approved training program **674** _____ t

Deduct:

Any assistance for the training program or the BC-based individuals **678** _____ u

Net BC labour expenditure paid to BC-based individuals in an approved training program
(amount t **minus** amount u) _____ v

Amount v _____ × 30% = MM

Qualified BC labour expenditure for the tax year (amount R from Part 5) _____ × 3% = NN

Film training tax credit (enter the lesser of amount MM and amount NN) **685** _____ OO

Part 11 – Digital animation or visual effects tax credit

Base credit: Amount Z from Part 6 _____ × 15% = PP

If principal photography begins after February 28, 2010, include the following additional amount:

Additional credit: . . . Amount AA from Part 6 _____ × 2.5% = QQ

Digital animation or visual effects tax credit (amount PP **plus** amount QQ) **760** _____ RR

Part 12 – British Columbia film and television tax credit

Basic tax credit (amount DD from Part 7) SS

Regional tax credit (amount HH from Part 8) TT

Distant location regional tax credit (amount LL from Part 9) UU

Film training tax credit (amount OO from Part 10) VV

Digital animation or visual effects tax credit (amount RR from Part 11) WW

British Columbia film and television tax credit (total of amounts SS to WW) **800** _____ XX

Enter amount XX on line 671 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one of these forms, add all XX amounts from all of the forms and enter the total on line 671 of Schedule 5.