

Please contact us to find out more about our national Entertainment Law Group. We look forward to working with you.

## CANADA: THE TOP INCENTIVES IN THE WORLD!

With more and more incentives being offered around the globe, financing and producing films has required a high level of foresight, creativity and planning.

Canada still tops the list as the best overall jurisdiction for film production or co-production. It offers a wide range of settings, cutting-edge film infrastructures, reasonable production costs and the most generous film incentives in the world. Canada also has more film co-production treaties with more countries than any other state or country. This means that more films can qualify for more subsidies than in any other place on earth.

## CANADIAN CO-PRODUCTION: GET CONNECTED

Producers can use Canada as their “co-production hub” by directly co-producing with others or by linking up with different countries who also have a co-production agreement with Canada. This allows them to shoot their films in more than one jurisdiction and still benefit from each local incentive. Given its numerous co-production agreements, Canada remains the world’s most attractive “co-production hub.”

## REVERSE RUNAWAY™

A “reverse runaway” production is a local country’s fiscal policy to bring back all or part of a production that it may lose to competing jurisdictions. With creative financial structuring, producers can benefit from both foreign and domestic incentives. In particular, some European nations and the U.S. states with enhanced tax incentives have caused a return of filmmaking to their local state. By filming in the U.S. or Europe, Canadian and foreign producers can benefit from incentives and still enjoy the location of their choice.

## BLG ENTERTAINMENT LAW GROUP AND YOU

BLG’s Entertainment Law Group helps to simplify the filming, distribution and production of a film in a tax incentive jurisdiction. BLG provides services to a network of producers, distributors and financiers worldwide and has comprehensive knowledge of the complex Canadian, U.S. and international film tax incentives. With a wealth of experience in this area, Borden Ladner Gervais LLP offers the best legal and business advice in the industry.

## NATIONAL COORDINATOR

### Sam Coppola

Tel.: 514.954.3110

E-mail: [scoppola@blgcanada.com](mailto:scoppola@blgcanada.com)

## REGIONAL COORDINATORS

### Calgary

#### LuAnne Morrow

Tel.: 403.232.9577

E-mail: [lmorrow@blgcanada.com](mailto:lmorrow@blgcanada.com)

### Montréal

#### Sam Coppola

Tel.: 514.954.3110

E-mail: [scoppola@blgcanada.com](mailto:scoppola@blgcanada.com)

### Ottawa

#### Hafeez Rupani

Tel.: 613.787.4753

E-mail: [hrupani@blgcanada.com](mailto:hrupani@blgcanada.com)

### Toronto

#### Jonathan F. Dyck

Tel.: 416.367.6124

E-mail: [jdyck@blgcanada.com](mailto:jdyck@blgcanada.com)

### Vancouver

#### Kendall E. Andersen

Tel.: 604.640.4078

E-mail: [kandersen@blgcanada.com](mailto:kandersen@blgcanada.com)

[www.blgcanada.com](http://www.blgcanada.com)

CALGARY  
TORONTO

MONTRÉAL  
VANCOUVER

OTTAWA  
WATERLOO REGION

Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.  
Lawyers • Patent & Trade-mark Agents • Avocats • Agents de brevets et de marques de commerce



BORDEN  
LADNER  
GERVAIS

# 2010 INTERNATIONAL FILM INCENTIVES



BORDEN  
LADNER  
GERVAIS

IT BEGINS  
WITH  
SERVICE

# INTERNATIONAL FILM INCENTIVES

## UNITED STATES OF AMERICA

State	Type	Amount
Alabama	L.T.C.* P.T.C.*	35% 25%
Alaska	P.T.C.***	30-44%
Arizona	P.T.C.***	20-30%
Arkansas	P.R.* / L.R.*	15% / 25%
California	P.T.C.***	20-25%
Colorado	P.R.*	10%
Connecticut	P.T.C.***	15-30%
District of Columbia	P.R.*	10-42%
Florida	P.R.*	10-22%
Georgia	P.T.C.***	20-30%
Hawaii	P.T.C.*	15-20%
Idaho	P.R.*/**	20%
Illinois	P.T.C.***	30%
Indiana	P.T.C.*	15%
Kentucky	P.T.C.**	20%
Louisiana	P.T.C.*/** L.T.C.*	30% 5%
Maine	T.C.* (income) L.R.*	~ 10-12%
Maryland	P.R.*	25%
Massachusetts	L.T.C.*** / P.T.C.***	25% / 25%
Michigan	P.T.C.*/**	30-42%
Minnesota	P.R.*/**	15-20%
Mississippi	P.R.*	20-25%
Missouri	P.T.C.*** / L.T.C.***	35% / 30%
Montana	L.T.C.* / P.T.C.*	14% / 9%
New Jersey	P.T.C.***	20%
New Mexico	P.T.C.* Loans	21.25-25% 100%
New York	P.T.C.*	30-35%
North Carolina	P.T.C.*	15-25%
Ohio	L.T.C.* / P.T.C.*	25-35% / 25%
Oklahoma	P.R.*	35-37%

State	Type	Amount
Oregon	P.R. / L.R.	20% / 10-16.2%
Pennsylvania	P.T.C.***	25%
Puerto Rico	P.T.C.***	40%
Rhode Island	P.T.C.***	25%
South Carolina	L.R.* / P.R.*	20% / 30%
South Dakota	T.R.*	6%
Tennessee	P.R.*	17-32%
Texas	P.R.* / L.R.*	5-15% / 8-25%
Utah	P.R.* or / P.T.C.*	20% / 20%
Washington	P.R.*	30%
West Virginia	P.T.C.*** / L.T.C.***	27% / 4%
Wyoming	P.R.*	12-15%

## CANADA

Province	Type	Amount
Alberta	G.S.F.	20-29%
British-Columbia♦	L.T.C.* (Content) L.T.C.* (Services)	35-47.5% 33%
Manitoba	L.T.C.*	45-65%
New Brunswick	L.T.C.*	40-50%
Newfoundland & Labrador	L.T.C.* or P.T.C.*	40% 25%
Nova Scotia	L.T.C.*	50-65%
Nunavut	L.T.C.*	40-45%
Ontario	L.T.C.* (Content) P.T.C.* (Services)	35-45% 25%
Québec	L.T.C.* (Content) P.T.C.* (Services)	35-65% 25-30%
Saskatchewan	L.T.C.* / P.T.C.*	45-50% / 5%
Yukon	P.T.C.* / L.T.C.*	25% / 25%
Federal	L.T.C.* L.T.C.*	25% 16%

© 2010 Borden Ladner Gervais LLP. Unless otherwise specified, the incentives are calculated or based on expenditures made in the applicable jurisdiction. Not all details concerning the incentives are included for summary purposes. The information contained herein was obtained from third party sources as of January 2010. However, BLG does not guarantee the completeness or accuracy of the information provided, and all readers are advised to consult professional advisors in respect of their particular circumstances. Most incentives mentioned are subject to maximum amounts, conditions and eligibility requirements. Further, some jurisdictions may include additional subsidies and regional or other bonuses not mentioned here for summary or presentation purposes.

\* Refundable  
 \*\* Non-Refundable  
 \*\*\* Transferable  
 G.S.F. Grant of Spend Funding  
 L.R. Rebate on eligible labor or employment costs  
 L.T.C. Tax credit calculated on labor costs  
 P.R. Rebate of a portion of qualified production expenses

P.T.C. Tax credit calculated on production expenditures  
 T.C. Tax Credit  
 T.D. Tax Deduction  
 T.R. Tax Refund  
 T.S. Tax Shelter  
 ♦ New legislation expected soon

## INTERNATIONAL

Country	Type	Amount
Australia	P.T.C. / P.R.	40% / 15%
Belgium	T.S.	150%
Brazil	T.D.	70%
Fiji Islands	P.R. / T.R.	35% / 12.5%
France	P.T.C.	16-20%
Germany	P.R.	15-20%
Hungary	T.D.	20%
Iceland	P.R.	20%
Ireland	P.T.C.	10-28%
Isle of Man	Equity	10-100%
Italy	P.T.C. T.S.	40% 30%
Luxembourg	T.D.	12.5-30%
Malta	P.R.	22%
Mexico	T.R.	11-16%
New Zealand	G.S.F.	15%
South Africa	P.R.	15%
South Korea	G.S.F.	25%
Spain / Canary Islands	P.R.	16-56%
United Kingdom	P.R.	20-25%

## CO-PRODUCTION AGREEMENTS (Canadian / International)

Algeria	Germany	Republic of Philippines
Argentina	Greece	Romania
Australia	Hong Kong	Russian Federation
Austria	Hungary	Senegal
Belgium	Iceland	Singapore
Bosnia-Herzegovina	Ireland	Slovak Republic
Brazil	Israel	Slovenia
Bulgaria	Italy	South Africa
Chile	Japan	South Korea
China	Latvia	Spain
Colombia	Luxembourg	Sweden
Croatia	Macedonia	Switzerland
Cuba	Malta	United Kingdom
Czech Republic	Mexico	Uruguay
Denmark	Morocco	Venezuela
Estonia	Netherlands	Yugoslavia
Finland	New Zealand	(Serbia Montenegro)
France	Norway	
	Poland	