

MEASURE: HB 2167
EXHIBIT: A
Joint Committee on Tax Credits 76th Session
DATE: 04.26.2011 PAGES: 2
SUBMITTED BY: Vince Porter

From: Longacre Julia
To: Allanach Christopher
Subject: FW: British Columbia Film Incentives (Canada as well)
Date: Monday, April 25, 2011 8:15:00 AM

From: Vince Porter [mailto:VincePorter@OregonFilm.org]
Sent: Thursday, April 21, 2011 1:39 PM
To: LRO; Rep Barnhart
Cc: Rep Bailey; Sen Burdick; Rep Berger
Subject: RE: British Columbia Film Incentives (Canada as well)

Sorry – I missed one point. The federal and provincial incentives are basically “stackable” which means the film company can get a 49% credit on labor expenditures.

Vince Porter
Executive Director
Governor's Office of Film and Television
1001 SE Water Ave Suite 430
Portland, OR 97214
(503) 229-5832
vince@oregonfilm.org
www.oregonfilm.org

From: Vince Porter
Sent: Thursday, April 21, 2011 1:36 PM
To: 'lro.exhibits@state.or.us'; 'Phil Barnhart (rep.philbarnhart@state.or.us)'
Cc: 'Rep Bailey'; 'Sen Burdick'; 'Rep Berger'
Subject: British Columbia Film Incentives (Canada as well)

Rep. Barnhart – Thank you for your question about Vancouver's incentive program structure. I am attaching a link from Entertainment Partners which is one of the major Entertainment Payroll companies as they have a complete layout of all the incentives online -
<http://www.entertainmentpartners.com/Content/ProductionIncentives/Jurisdictions/charts.aspx?jid=67>
You can find a detailed breakdown on the world wide programs by clicking on the Production Incentive tab on the left.

Canada has a unique program in that they have both a Federal Incentive Program and Provincial Programs. Originally these two programs were refundable tax credits based on only labor expenditures. Recently many of the provinces have included other expenditures (Goods and Services) in particular to be in line with states like Louisiana and Michigan. British Columbia has chosen to not do that. Below is a breakdown of the package in B.C.

Federal Canadian Incentive – 16% credit on qualifying Canadian Labor expenditures. This is issued in the form of a Canadian Refundable Tax Credit.

B.C. Incentive – 33% credit on qualifying British Columbia labor expenditures. Digital Animation of Visual effects get a 17.5% additional credit. A regional tax credit on labor expenses for projects outside the Vancouver area can result in another 6%.

Prior to my time at the film office I worked at Showtime Networks and we did use these incentives for various productions. We would contract with a local Canadian company who would then administer the refundable tax credit process for us and pass on the incentive. It was a bit cumbersome and sometimes took longer than anticipated but we managed a process that worked.

One advantage for Oregon is the rebate format on the back end of the program for the film companies. It saves the companies on administrative costs and allows us to perhaps offer a little less money than other places like Canada.

Canada also has a special program called "Canadian Content" which is a far bigger incentive, but requires the producers to engage with a high percentage of key creative personnel (Writer, Director, Cast) in order to qualify. This program is generally used to promote a local cultural effort and is occasionally used on projects that end up on television and theatrical screens in the U.S..

Vince Porter
Executive Director
Oregon Film & Video Office
1001 SE Water Ave Suite 430
Portland, OR 97214
(503) 229-5832
vince@oregonfilm.org
www.oregonfilm.org