

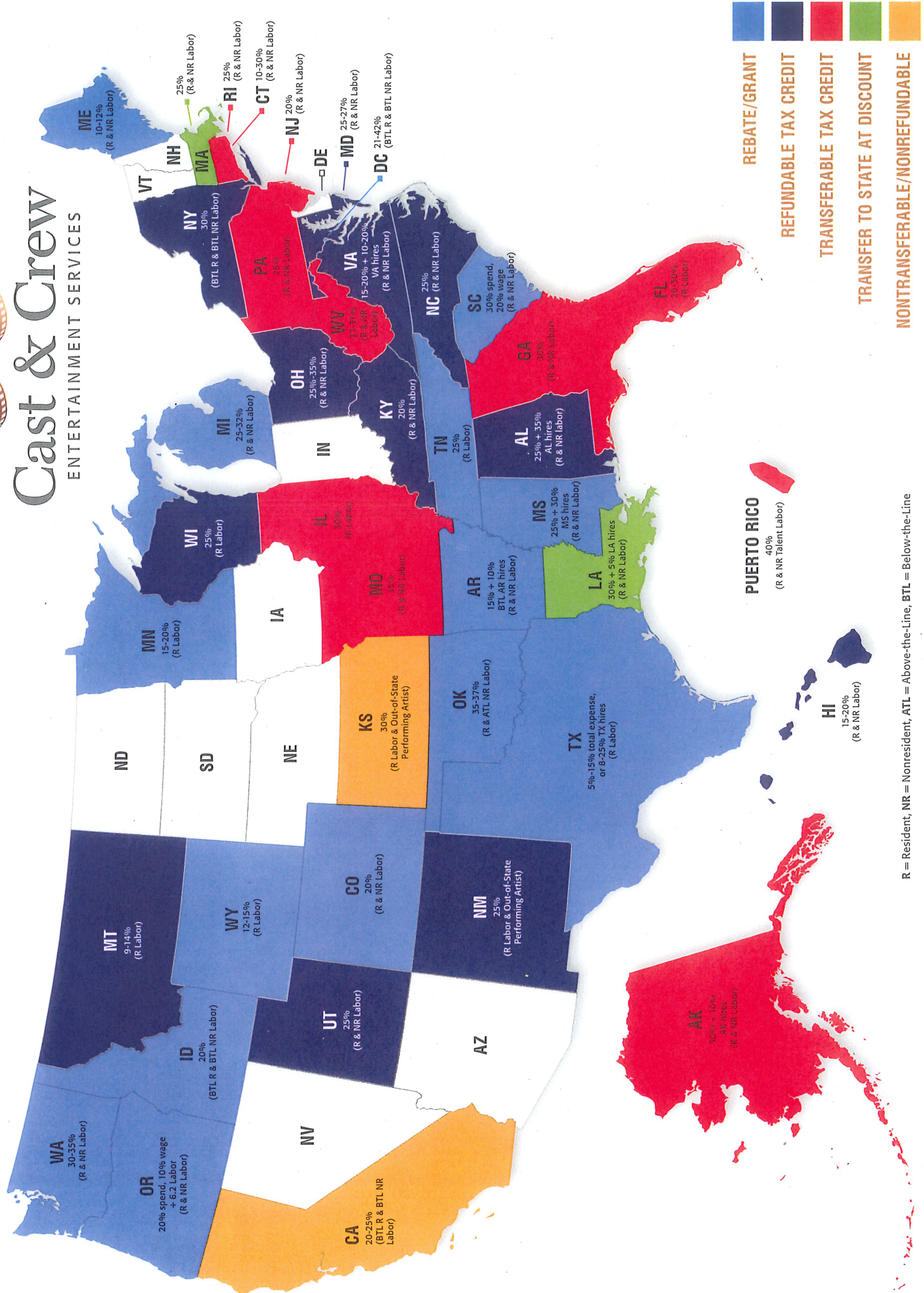


## Oregon Production Investment Fund Step-by-Step Process

1. State of Oregon authorizes the auction of state tax credits at the beginning of each fiscal year (current allocation is \$6million).
2. Department of Revenue conducts the tax credit auction in cooperation with the Oregon Film and Video Office (OFVO). The baseline rate that a taxpayer may bid is \$.95 for every \$1.00 of tax credit. At the conclusion of the auction the winning bids are selected based on the best rate offered to the state. In 2012 the auction resulted in \$5,867,837.40 of contributions or a rate of 97.8%.
3. The contributions are held in the Oregon Production Investment Fund (OPIF), which is managed by Business Oregon. Five percent of the contributions are set aside for productions that are produced by "local filmmakers" and meet the specified criteria.
4. Film and Television production companies interested in producing a project in Oregon fill out an application including budget, schedule, finance plan, and script to be qualified for a portion of the OPIF fund. OFVO reviews the application and determines if there are funds available to allocate for the project.
5. The rebate calculation is a 20% rebate on Oregon qualified goods and services expenses and a 10% rebate on qualified labor expenses. Often OFVO will negotiate with the production company a portion of this calculated amount based on available funds and number of projects interested in participating in OPIF. For projects not qualified as a "local filmmaker" project, budget must exceed \$750,000 in Oregon qualified spending. "Local filmmaker" projects must be between \$75,000 and \$750,000.
6. Once OFVO has reviewed the application and both parties agree on the potential rebate amount, a contract is prepared and executed by both parties formally reserving the funds.
7. Upon the completion of the project, the production submits a full accounting to OFVO including payroll reports and proof of every Oregon goods and service expense (invoice and check copies). OFVO completes an audit verifying these expenses, and at the completion of the audit determines the actual amount of the rebate.
8. OFVO sends a notice to Business Oregon authorizing payment of the rebate. The actual payment of the rebate is usually four to six months after the completion of the production.



## Cast & Crew ENTERTAINMENT SERVICES



- REBATE/GRANT
- REFUNDABLE TAX CREDIT
- TRANSFERABLE TAX CREDIT
- TRANSFER TO STATE AT DISCOUNT
- NONTRANSFERABLE/NONREFUNDABLE

R = Resident, NR = Nonresident, ATL = Above-the-Line, BTL = Below-the-Line