

Film Incentive BC Summary for Interprovincial Co-Productions

Film Incentive BC (FIBC) is an economic initiative designed to encourage film, television, digital animation and visual effects production in British Columbia. Eligible applicants are film, television and animation production corporations that have incurred qualifying B.C. labour expenses. Production corporations that enter into an interprovincial co-production agreement may be eligible to access FIBC provided that they meet the requirements of FIBC legislation and the regulations. An interprovincial co-production is a film or video production that is jointly produced in more than one province in accordance with an interprovincial co-production agreement between an eligible production corporation that has a permanent establishment in B.C. and one or more other Canadian-controlled production corporations.

How FIBC Works

FIBC is a refundable corporate income tax credit. When filing tax returns, production corporations may claim a specified percentage of the labour costs incurred in making film, television or digital animation productions. The credits are applied to reduce tax payable, and any remaining balance is paid to the corporation.

The production corporation must apply to Creative BC to receive an eligibility certificate and a completion certificate for the production. While these are generally applied for separately, the production corporation can apply for both eligibility and completion certificates together after the production is complete if it is within the required time frames. To claim the FIBC tax credits, the production corporation must file a corporate income tax return, along with the certificates, to the [Canada Revenue Agency](#) within 18 months from the end of the taxation year in which the FIBC is being claimed.

We strongly recommend that you submit your application for an eligibility certificate to Creative BC no later than 12 months from the corporation's taxation year in which principal photography began and your application for a completion certificate at least 6 months before the filing deadline with the CRA to provide for sufficient processing time. We cannot guarantee that applications filed later will be processed in time for the production corporation to file with the CRA before the deadline, which may result in denied claims.

General Eligibility Rules for Interprovincial Co-Productions

Production corporations and their productions must meet the following minimum conditions to qualify for FIBC (*Note*: there are different requirements for [treaty co-productions](#) and [productions that are not co-productions](#)):

- The production corporation claiming the tax credit must be a B.C.-based Canadian-controlled taxable Canadian corporation;
- The “producer” of the British Columbia portion of the production, i.e. the person(s) with creative and financial control of the B.C. portion of the production, must be a B.C.-based individual who is a Canadian;
- The production must be Canadian content (i.e. meet the minimum key creative point requirements);
- More than 50% of the copyright of the production must be owned by the B.C.-based Canadian-controlled corporation in relation to the non-B.C. co-producer(s) and any other copyright owners;
- At least 20% of the cost of the production is attributable to the B.C. production corporation;

- At least 75% of the cost of producing the B.C. portion of the production must be paid to B.C.-based individuals or corporations for work done in B.C. (for documentaries, at least 75% of the cost of producing the B.C. portion of the production must be paid to B.C.-based individuals or corporations);
- At least 50% of the cost of post-production work (excluding stock footage rights) for the production must be carried out in British Columbia;
- The production must be completed within 24 months after the end of the taxation year in which principal photography (or, for animated productions, key animation) began;
- The production corporation must apply for and receive a completion certificate within 30 months after the end of the taxation year in which principal photography (or, for animated productions, key animation) began;
- There must be a written agreement with a Canadian-controlled distributor or broadcaster to have the production shown in Canada within 24 months of completion;
- There can be no distribution in Canada by a non-Canadian distributor or broadcaster within 24 months of completion;
- The B.C. production corporation must retain a reasonable revenue interest in non-Canadian markets;
- Principal photography (or, for animated productions, key animation) on the production has begun;
- Some genres are excluded from FIBC including, but not limited to, talk shows, news, live sports events, game shows, reality television, and advertising.

Calculating the Tax Credit Amount

The program includes six initiatives: Basic, Regional, Distant Location Regional, Training, Digital Animation, Visual Effects and Post-Production (DAVE) and Scriptwriting. The tax credit amounts are calculated on the qualified B.C. labour expenditure (QBCLE) of the corporation. The table below sets out the tax credit rates for productions with a principal photography (or, for animated productions, key animation) start date after December 31, 2024:

TAX CREDIT (FIBC)	VALUE	TAX CREDIT AMOUNT CALCULATED ON ...
Basic	40%	QBCLE to maximum of 60% of the total cost of production (excluding assistance). For productions starting principal photography on or after October 1, 2016 and before January 1, 2025, the Basic FIBC rate is 35% of QBCLE to a maximum of 60% of the total cost of production.

TAX CREDIT (FIBC)	VALUE	TAX CREDIT AMOUNT CALCULATED ON ...
Regional*	12.5%	<p>For live action productions, QBCLE prorated by the number of principal photography (“PP”) days in British Columbia outside of the designated Vancouver area (“DVA”) to the total days of PP in B.C. Note that to be eligible for the Regional TC, the production must have at least 5 PP days outside the DVA and over 50% of the B.C. PP days must be outside the DVA. For a television series, this double threshold applies for a minimum of 3 episodes as a group (the “qualifying episodes”) and the Regional TC is further pro-rated by the number of qualifying episodes to the total number of episodes.</p> <p>For animated productions with a key animation start date after December 31, 2024, the Regional TC is based on B.C. labour expenditure in respect of services rendered by B.C.-based individuals who, for at least 50% of their time spent on the production, render the services in a “physical office” in B.C. outside the DVA. For productions with a key animation start date after June 26, 2015, and before June 1, 2024, the Regional TC is based on B.C. labour expenditure in respect of services rendered in B.C. outside the DVA. Productions with a key animation start date on or after June 1, 2024 and before January 1, 2025 are not eligible for the Regional TC.</p>
Distant Location*	6%	<p>For live action productions, QBCLE prorated by the number of days of PP in British Columbia within a prescribed area to the total days of PP in B.C. To be eligible for the Distant Location TC, the production must be eligible for the Regional TC and have at least 1 PP day in a distant location. For a television series, this requirement applies to the qualifying episodes and the Distant Location TC is further pro-rated by the number of qualifying episodes to the total number of episodes.</p> <p>For animated productions with a key animation start date after December 31, 2024, the Distant Location TC is based on B.C. labour expenditure in respect of services rendered by B.C.-based individuals who, for at least 50% of their time spent on the production, render the services in a “physical office” in B.C. in a distant location. For productions with a key animation start date after June 26, 2015, and before June 1, 2024, the Distant Location TC is based on B.C. labour expenditure in respect of services rendered in B.C. in a distant location. Productions with a key animation start date on or after June 1, 2024 and before January 1, 2025 are not eligible for the Distant Location TC.</p>
Training*	30%	The amount paid to a B.C.-based individual registered in an approved training program. This TC is capped at 3% of the corporation’s QBCLE.
DAVE*	16%	B.C. labour directly attributable to digital animation, visual effects and post-production activities.
Scriptwriting*	35%	The labour expenditure paid to a B.C.-based scriptwriter(s) that are directly attributable to the development of script material of a production that are incurred after February 20, 2018 or 2 years before the principal photography or key animation start date (whichever is later) and before the end of the final script stage of the production.

* The production and production corporation must be eligible for the Basic tax credit before being able to access any of the other bonuses.

Resources and Forms

Available at creativebc.com

- [Application Check List – Eligibility](#)
- [Template – Schedule of B.C./Non-B.C. Costs](#)
- [Online Application](#)
- B.C. [Legislation](#) and [Regulation](#)
- [Canadian Audio-Visual Certification Office \(CAVCO\)](#) – for federal tax credit information
- [Application Check List – Completion](#)
- [Regional + Distant Location Map](#)
- [FIBC Tax Credit Calculator](#)
- [DAVE Tax Credit](#)
- [Scriptwriting Tax Credit](#)
- [FIBC Deadline Calculator](#)

Note: This document is intended as a general overview. It is not exhaustive and should not be relied upon to determine eligibility or the final amount of an anticipated tax credit. In case of any discrepancies between this document and the Income Tax Act (B.C.) and Regulations (the “Act”), the provisions of the Act prevail.