

**CLAIMING A CANADIAN FILM OR VIDEO PRODUCTION TAX CREDIT**

Use this form to claim a tax credit for qualified labour expenditures of a qualified corporation. The corporation must have incurred the expenditures for a production that the Minister of Canadian Heritage certified as a Canadian film or video production.

To claim this credit, attach the following items on top of the *T2 Corporation Income Tax Return* for the taxation year:

- Canadian film or video production certificate "A" (or a copy) issued by the Canadian Audio-Visual Certification Office (CAVCO);
- if applicable, the certificate of completion "B" (or a copy) issued by CAVCO and a copy of the audited statement of production costs and accompanying notes provided to CAVCO; and
- a completed copy of this form for each film or video production. We consider each episode in a series to be a production. However, we will accept one form for episodes in a series that are certified Canadian film or video productions.

For information on claiming this tax credit, refer to the publication *Claiming a Canadian Film or Video Production Tax Credit – Guide to Form T1131* (RC4164) at

www.cra.gc.ca/E/pub/tg/rc4164/.

DO NOT USE THIS AREACode
Number**047****Part 1 – Corporate information (please print)**

Corporate name				Business number						
				R C						
151	Contact person's name	153	Telephone number	Taxation year	From: Year	Month	Day	To: Year	Month	Day

Part 2 – Identifying the film or video production

301	Production's title	302	Enter date that principal filming or taping began	Year	Month	Day		
303	Enter CAVCO reference number	PCH	304	Enter CAVCO certificate number (that starts with A or B)				
For a series of episodes enter range of CAVCO certificate numbers (that start with A or B)				305	From:	306	To:	
1. Is the production a Canadian co-production involving only qualified corporations?							311	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Is the production a treaty co-production?							312	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Is the production co-owned by a prescribed person?							313	<input type="checkbox"/> Yes <input type="checkbox"/> No
If you answered "yes" to question 1 or 2, include your corporation's costs in Part 5, or if applicable, in Part 6. If you answered "yes" to question 3, include the corporation's costs in Part 5, or if applicable, include the corporation's costs and the co-owner's (prescribed person's) costs in Part 6.								

Part 3 – Eligibility

1.	Were the activities of the corporation primarily the carrying on of a Canadian film or video production business through a permanent establishment in Canada?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2.	Was all or part of the corporation's taxable income exempt from Part I tax at any time in the year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.	Was the corporation at any time in the year controlled directly or indirectly in any manner whatever by one or more persons, all or part of whose taxable income was exempt from Part I tax?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.	Was the corporation at any time in the year a prescribed labour-sponsored venture capital corporation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5.	Is the production, or an interest in a person or partnership that has, directly or indirectly, an interest in the production, a tax shelter investment for purposes of section 143.2?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If you answered "no" to question 1 or "yes" to any other question, you are not eligible for the Canadian film or video production tax credit. If you are eligible , review the information in Part 4 before completing the rest of this form.		

Part 4 – Important information on recent changes

- On November 14, 2003, the Minister of Finance announced changes to the Canadian Film or Video Production Tax Credit, including:
- The limit on the base of qualifying labour expenditures was raised to 60% of the total cost of a production from the existing 48% limit.
 - Labour expenditures in respect of non-residents of Canada (other than Canadian citizens) are no longer eligible for the credit.
 - If a government entity is an investor, that investment is now treated in the same manner as other forms of government assistance.

Using the new rules to calculate the tax credit

1. If the **production commencement time*** of the film or video is **on or after** November 14, 2003, the tax credit is calculated using the new rules. Complete Part 6A and Part 6B of this form.
2. If the **production commencement time*** of the film or video is **before** November 14, 2003, but the earliest labour expenditure is made **after 2003**, the tax credit is calculated using the new rules. Complete Part 6A and Part 6B of this form.
3. If the **production commencement time*** of the film or video is **before** November 14, 2003, but the earliest labour expenditure is made after the corporation's last year that ended **before** November 14, 2003, the corporation may choose between the following options (check one):

☐ To calculate the tax credit using the rules in effect before November 14, 2003 (complete Part 5A and Part 5B).

or

650 ☐ The corporation **elects** to apply the rules in effect on or after November 14, 2003 (complete Part 6A and Part 6B). The election must be filed on or before the filing due date for the tax year that includes the day the proposed changes are assented to.

* **Production commencement time**, as defined in subsection 125.4(1) of the *Income Tax Act*, is the **earlier of** (enter dates):

(a) the start of principal photography;

(b) the latest of:

- i) the date the first script labour expenses were incurred;
- ii) the date the production rights were acquired; **or**
- iii) two years before the start of principal photography.

Year Month Day

651

--	--	--	--	--	--

652

--	--	--	--	--	--

653

--	--	--	--	--	--

654

--	--	--	--	--	--

Part 5A – Determining the production cost limit using the rules in effect before November 14, 2003

Production cost at the end of the taxation year	401	+		
Less: Total government and non-government assistance that the corporation has not repaid	403	–		
Line 401 minus line 403		=		A
Applicable rate		X	48%	B
Multiply line A by line B		=		C
Less: Qualified labour expenditures for all previous taxation years	407	–		
Production cost limit (Line C minus line 407)	410	=		

Part 5B – Determining the qualified labour expenditure and the tax credit using the rules in effect before November 14, 2003

Labour expenditure in the taxation year				
Salary or wages paid that are directly attributable to the production	501	+		
Other remuneration that is directly attributable to the production				
paid to: Individuals	503	+		
Other taxable Canadian corporations	505	+		
Other taxable Canadian corporations (solely owned				
by an individual)	506	+		
Partnerships carrying on business in Canada	507	+		
Enter any reimbursement of labour expenditure that a wholly-owned				
corporation made under a reimbursement agreement to a parent corporation	509	+		
Labour expenditure (add lines 501 to 509)		=		D
Labour expenditures for all previous taxation years	511	+		
Less: Qualified labour expenditures for all previous taxation years	513	–		
Line 511 minus line 513		=		E
Line D plus line E		=		F
Less: Labour expenditure that a parent corporation transferred under a reimbursement agreement to				
a wholly-owned subsidiary corporation	515	–		
Labour expenditure (line F minus line 515, if negative, enter "0")	518	=		
Qualified labour expenditure				
Enter whichever is less—the amount on line 410 or the amount on line 518				G
Applicable rate		X	25%	H
Canadian film or video production tax credit (Multiply line G by line H)	520			

Enter the amount from line 520 at line 796 of your *T2 Corporate Tax Return*. If you are submitting more than one of these forms, enter the cumulative total.

Part 6A – Determining the production cost limit using the rules in effect on or after November 14, 2003

Production cost at the end of the taxation year	421	+	_____	
Less: Total government and non-government assistance that corporation has not repaid	423	-	_____	
Line 421 minus line 423		=	_____	A
Applicable rate		X	60%	B
Multiply line A by line B		=	_____	C
Less: Qualified labour expenditures for all previous taxation years.	427	-	_____	
Production cost limit (Line C minus line 427)	430	=	=====	

Part 6B – Determining the qualified labour expenditure and tax credit using the rules in effect on or after November 14, 2003

Labour expenditure in the taxation year				
Salary or wages paid for services rendered by Canadian residents or non-resident Canadian citizens that are directly attributable to the production				
	601	+	_____	
Other remuneration for services rendered by Canadian residents or non-resident Canadian citizens that is directly attributable to the production				
paid to: Individuals	603	+	_____	
Other taxable Canadian corporations	605	+	_____	
Other taxable Canadian corporations (solely owned by an individual)	606	+	_____	
Partnerships carrying on business in Canada	607	+	_____	
Enter any reimbursement of labour expenditure that a wholly-owned corporation made under a reimbursement agreement to a parent corporation				
	609	+	_____	
Labour expenditure (add lines 601 to 609)		=	_____	D
Labour expenditures for all previous taxation years				
	611	+	_____	
Less: Qualified labour expenditures for all previous taxation years	613	-	_____	
Line 611 minus line 613			_____	E
Line D plus line E		=	_____	F
Less: Labour expenditure that a parent corporation transferred under a reimbursement agreement to a wholly-owned subsidiary corporation				
	615	-	_____	
Labour expenditure (Line F minus line 615, if negative, enter "0")	618	=	=====	
Qualified labour expenditure				
Enter whichever is less – the amount on line 430 or the amount on line 618				
		=	_____	G
Applicable rate		X	25%	H
Canadian film or video production tax credit (multiply line G by line H)	620	=	=====	
Enter the amount from line 620 at line 796 of your <i>T2 Corporation Tax Return</i> . If you are submitting more than one of these forms, enter the cumulative total.				

Part 7 – Certification

I, 251 _____	Name	of _____	Address	,
certify that the information given in this form, and in all attached documents is, to the best of my knowledge, correct and complete.				
_____	Authorized officer's signature	_____	Position or Office	255 _____
				Date