

You can use this form to claim the following credits under the British Columbia *Income Tax Act*.

- Basic tax credit (BTC) (section 80)
- Regional tax credit (RTC) (section 81)
- Training tax credit (TTC) (section 82)

To claim any of the above credits, attach the following to the top of your *T2 Corporation Income Tax Return* for the year:

- eligibility certificate
- if applicable, a completion certificate, and a copy of the audited statement of production costs and notes provided to the Ministry of Competition, Science and Enterprise; and
- a completed copy of this form for each eligible production.

**Do not use this area**

---

Code number **422**

**Freedom of Information and Privacy Act**  
 The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Income Tax Act* (BC). Questions about the collection or use of this information can be directed to the Income Taxation Branch, PO Box 9434, Stn Prov Gov't, Victoria BC V8W 9V3, Tel: (250) 387-3332

**Part 1 – Corporate Information** (please print)

Corporate name		Business number	
Address		Postal code	
Name of person to contact for more information <b>151</b>		Phone number <b>153</b> ( ) ( )	Fax number ( ) ( )
Mailing address (complete only if different from address above)	Tax year From Y M D To Y M D		

**Part 2 – Eligibility**

Was the corporation at any time in the taxation year controlled directly or indirectly in any matter whatever by one or more persons, all or part of whose taxable income was exempt from tax under section 27 of the *Income Tax Act* (BC) or Part 1 of the federal *Income Tax Act* (the federal Act)? Yes  No  **220**

Was all or part of the corporation's taxable income at any time in the taxation year exempt from tax under section 27 of the *Income Tax Act* (BC) or Part 1 of the federal Act? Yes  No  **222**

Has the corporation claimed the two-year tax holiday for new small businesses under section 17 of the *Income Tax Act* (BC) in the current tax year? Yes  No  **225**

Was the corporation at any time in the year:

a) a prescribed labour-sponsored venture capital corporation for the purposes of section 127.4 of the federal Act? Yes  No  **230**

b) a small business venture capital corporation registered under section 3 of the *Small Business Venture Capital Act*? Yes  No  **235**

c) a corporation registered under section 2 (employee share ownership plans) of the *Employee Investment Act*? Yes  No  **240**

d) a corporation registered under section 8 (employee venture capital corporation) of the *Employee Investment Act*? Yes  No  **245**

Has the corporation claimed a BC production services tax credit for this production? Yes  No  **250**

If you answered **yes** to any of the above questions, **you are not eligible** for a BC film and television tax credit.

**Part 3 – Identifying the film or video production**

Title of production **301**

Enter date that the principal filming or taping began **302**      Enter eligibility certificate number **303**

Y M D

Has a completion certificate been obtained? ..... Yes  No  **311**

Is the production an interprovincial co-production? ..... Yes  No  **312**

Is the production a treaty co-production? ..... Yes  No  **313**

**Part 4 – Determining the production cost limit**

Cumulative production cost as at the end of the tax year (include current and prior year production costs) . . . . .	<b>405</b>			
Deduct: government or non-government assistance that the corporation has not repaid . . . . .	<b>410</b>	-		
Line 405 minus line 410 . . . . .	<b>411</b>	=		
Applicable Rate . . . . .	<b>412</b>	X	48%	
Line 411 multiplied by rate on line 412. . . . .	<b>413</b>	=		
Deduct: Qualified BC labour expenditures claimed in all previous taxation years . . . . .	<b>420</b>	-		
<b>Production cost limit</b> (line 413 minus line 420) . . . . .	<b>480</b>	=		

75% of the cost of producing the BC portion of the production must be payable for **goods or services provided in British Columbia** (except documentaries) by BC- based individuals or a BC-based corporation.

**Part 5 – Determining the qualified BC labour expenditure**

BC labour expenditure for the current tax year (see instructions) is the total of:				
Salary or wages . . . . .	<b>505</b>			
Other remuneration:				
for services personally rendered by BC-based individuals plus other remuneration paid to proprietorships or partnerships, to the extent of amounts paid by them for salary or wages to BC-based individuals . . . . .	<b>515</b>			
for services personally rendered by the shareholder of a taxable Canadian corporation in which all shares of the capital stock are owned by a BC-based individual and the corporation's main activities are to provide that individual's services, plus remuneration paid to that taxable Canadian corporation to the extent of amounts paid by the corporation for salary or wages to BC-based individuals . . . . .	<b>516</b>			
paid to multiowned taxable Canadian corporations to the extent of amounts paid by the corporation for salary or wages to BC-based individuals . . . . .	<b>520</b>			
Reimbursement by the corporation of salary or wages paid by a parent corporation that wholly owns the corporation and that is a taxable Canadian corporation, for an expenditure that would have qualified as a BC labour expenditure . . . . .	<b>525</b>	+		
Total BC labour expenditure for the current tax year (add lines 505 to 525). . . . .	<b>526</b>		▶	
Unclaimed BC labour expenditure from the preceding year:				
BC labour expenditure for the previous tax year . . . . .	<b>530</b>			
Less: qualified BC labour expenditure for the previous tax year . . . . .	<b>535</b>	-		
Line 530 minus line 535. . . . .	<b>536</b>		▶	+
Line 526 plus line 536 . . . . .	<b>537</b>	=		
Less: all amounts transferred under a reimbursement agreement to a wholly owned subsidiary that claims the amount as a BC labour expenditure . . . . .	<b>550</b>	-		
Line 537 minus line 550. . . . .	<b>551</b>	=		
<b>Qualified BC labour expenditure for the year</b> (enter the lesser of line 480 and line 551) . . . . .	<b>590</b>	=		

**Part 6 – Determining the basic tax credit (BTC)**

Qualified BC labour expenditure (from line 590) .....	<b>607</b>		
Applicable rate .....	<b>608</b>	X	20%
Line 607 multiplied by rate on line 608 .....	<b>609</b>	=	
For an interprovincial co-production, see the instructions for this part.			
If this is not an interprovincial co-production, enter 100% .....	<b>610</b>	X	%
<b>Basic tax credit</b> (line 609 multiplied by rate on line 610) .....	<b>620</b>	=	

**Part 7 – Determining the regional tax credit (RTC)**

Qualified BC labour expenditure (from line 590) .....	<b>639</b>		
If this is a series intended for television broadcast, deduct the BC labour relating to non qualifying episodes (see note*) ..	<b>640</b>	-	
Line 639 minus line 640 .....	<b>641</b>	=	
Applicable rate .....	<b>642</b>	X	12.5%
<b>Regional tax credit</b> (line 641 multiplied by rate on line 642) .....	<b>650</b>	=	

\* **Note** – There must be a minimum of three episodes (qualifying episodes) in a cycle in which 85% of the principal photography is done in British Columbia outside of the designated Vancouver area. Only qualifying episodes are eligible for the regional tax credit.

**Part 8 – Determining the training tax credit (TTC)**

BC labour expenditure paid to BC-based individuals in an approved training program .....	<b>674</b>		
Less: any assistance or reimbursement for the training program .....	<b>678</b>	-	
Line 674 minus line 678 .....	<b>679</b>	=	
Applicable rate .....	<b>680</b>	X	30%
Line 679 multiplied by rate on line 680 .....	<b>681</b>	▶	
Qualified BC labour expenditure (from line 590) .....	<b>682</b>	X	3%
Applicable rate .....	<b>683</b>	X	3%
Line 682 multiplied by rate on line 683 .....	<b>684</b>	▶	
<b>Training tax credit</b> (lesser of line 681 and 684) .....	<b>685</b>	=	

**Part 9 – Total film and television tax credit**

Basic tax credit (amount from line 620) .....	<b>797</b>		
Regional tax credit (amount from line 650) .....	<b>798</b>	+	
Training tax credit (amount from line 685) .....	<b>799</b>	+	
<b>Total film and television tax credits</b> (add lines 797 to 799) .....	<b>800</b>	=	

Enter on line 671 of schedule 5 of your **corporation income tax return** the amount of the BC film and television tax credits from line 800. If you are filing more than one of these forms, add the amounts from line 800 of all the forms and enter the total on line 671 of schedule 5 of your return.

**Certification**

I, **851** \_\_\_\_\_ of \_\_\_\_\_  
Name (please print) 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 Date **855**

## INSTRUCTIONS FOR FORM T1196, BC FILM AND TELEVISION TAX CREDIT

If you are applying for the BC Film and Television Tax Credit you must complete **Parts 1 to 5 of Form T1196**.

In **Part 5**, BC labour expenditure for the tax year includes amounts:

- incurred from the final script stage to the end of the post-production stage;
- incurred after March 31, 1998 in the tax year or preceding year, and did not form part of the claimant's BC labour expenditure for the preceding year;
- paid during the year or within 60 days of the end of the tax year;
- that are directly attributable to the production; and
- that are for services provided by BC-based individuals.

Complete **Part 6** if you are applying for the Basic Tax Credit. If your claim is for an interprovincial co-production, see the instructions below.

Complete **Part 7** if you are applying for the Regional Tax Credit.

Complete **Part 8** if you are applying for the Training Tax Credit. You must be eligible for one or both of the Basic Tax Credit and the Regional Tax Credit to be eligible for the Training Tax Credit.

Complete **Part 9** and the **Certification**.

### Instructions for interprovincial co-productions, Part 6 :

For an interprovincial co-production for which principal photography commenced **before April 1, 2001**, enter the percentage of copyright owned by the corporation on **Line 610**.

For an interprovincial co-production for which principal photography commenced **on or after April 1, 2001**, use Worksheet A.

### Worksheet A: Interprovincial co-productions for which principal photography commenced on or after April 1, 2001

Percentage of copyright owned by the corporation: .....	_____	<b>% 1</b>
Total Copyright .....	_____ 100%	<b>2</b>
Less: percentage of copyright owned by federal and provincial agencies with a mandate to finance film or video productions in Canada .....	_____ <b>% 3</b>	
percentage of copyright owned by non-profit organizations that have a fund used to finance film or video productions in Canada .....	+ _____ <b>% 4</b>	
Line 3 + Line 4 .....	- _____	<b>% 5</b>
Line 2 minus Line 5 .....	= _____	<b>% 6</b>
Line 1 divided by Line 6 – transfer to <b>Line 610</b> , Part 6 .....	_____	<b>% 7</b>