

BRITISH COLUMBIA PRODUCTION SERVICES TAX CREDIT

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

- Production services tax credit (PSTC) (section 82.1)
- Regional production services tax credit (RPSTC) (section 82.2)
- Digital animation or visual effects production services tax credit (DAVEPSTC) (section 82.3)

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

- accreditation certificate
- a completed copy of this form for each accredited production.

Do not use this area

423 Code number

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* (British Columbia). Questions about the collection or use of this information can be directed to the Income Taxation Branch, PO Box 9444, Stn Prov Gov't, Victoria BC V8W 9W8 Tel: 250 387-3332

Part 1 – Corporate Information

Corporate name		Business number	
145 Corporate name (from accreditation certificate if different than above)			
Address		Postal code	
151 Name of person to contact for more information		153 Phone number	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* (British Columbia) or Part 1 of the federal *Income Tax Act* (the federal Act)? **220** Yes No

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* (British Columbia) or Part 1 of the federal Act? **222** Yes No

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

Was the corporation at any time in the taxation year:

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

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

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

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

Has the corporation claimed any of the British Columbia film and television tax credits for this production? **250** Yes No

If you answered **yes** to any of the above questions, **you are not eligible** for a British Columbia production services tax credit.

Part 3 – Identifying the film or video production

301 Title of production	302 Enter date that the principal filming or taping began	Y M D
304 Title of production (from accreditation certificate if different than line 301)	303 Enter accreditation certificate number	PS

Part 4 – Determining the accredited BC labour expenditure

Accredited BC labour expenditures include amounts:

- incurred from the final script stage to the end of the post-production stage
- incurred after May 31, 1998 in the taxation 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 taxation year
- directly attributable to the production
- for services provided by BC-based individuals and rendered in British Columbia

Accredited BC labour expenditures directly attributable to digital animation or visual effect activities where principal photography began after March 31, 2003 include amounts:

- incurred after December 31, 2002 in the taxation year or preceding year and did not form part of the claimant's BC labour expenditure for the preceding year

	A Total Production	B Directly attributable to digital animation or visual effect activities	
Accredited BC labour expenditure for the current taxation year is the total of:			
Salary or wages	405	406	1
Other remuneration:			
for services personally rendered by BC-based individuals plus remuneration paid to proprietorships or partnerships to the extent of amounts paid by them for salary or wages to BC-based individuals	420 +	421 +	2
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 principal 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	425 +	426 +	3
paid to multi-owned taxable Canadian corporations to the extent of amounts paid by the corporation for salary or wages to BC-based individuals	430 +	431 +	4
Reimbursement of salary or wages made by a wholly owned subsidiary corporation to a parent corporation that is a taxable Canadian corporation for an expenditure that would have qualified as a BC labour expenditure	435 +	436 +	5
Accredited BC labour expenditure for the current taxation year (add lines 1 to 5)	490 =	491 =	6

Part 5 – Determining the accredited qualified BC labour expenditure

Total accredited BC labour expenditure for the current taxation year plus that of each previous year	505	506	7
Deduct: All assistance that can reasonably be considered to be in respect of accredited BC labour expenditure reported on line 7	520 +	521 +	8
All accredited qualified BC labour expenditure claimed in a previous taxation year	525 +	526 +	9
All amounts of accredited BC labour expenditure included on line 7 that were transferred under a reimbursement agreement to a wholly owned subsidiary	530 +	531 +	10
(add lines 8 to 10)			11
Accredited qualified BC labour expenditure for the current taxation year (line 7 minus 11)	590 =	591 =	12

Part 6 – Determining the production services tax credit and the digital animation or visual effects production services tax credit

Accredited qualified BC labour expenditure (from line 12)			13
Applicable rate	X 11%	X 15%	14
Production services tax credit/Digital animation or visual effects production services tax credit (line 13 multiplied by rate on line 14)	800 =	805 =	15

Part 7 – Determining the regional production services tax credit

Total accredited qualified BC labour expenditure for the current taxation year incurred after December 31, 2002 (amount from line 12, column A)		16
Total number of principal photography days in British Columbia outside of the designated Vancouver area (see note*)	820	17
Total number of principal photography days of the production done in British Columbia	825 +	18
Proration rate (line 17 divided by line 18)		19
Prorated accredited qualified BC labour expenditure (line 16 multiplied by line 19)		20
Applicable rate	X 6%	21
Regional production services tax credit (line 20 multiplied by line 21)	830 =	22

* **Note** – The number of shooting days on which principal photography was done in British Columbia outside the designated Vancouver area must be at least 5 days and more than 50% of the total shooting days on which principal photography was done in British Columbia.

Part 8 – Total production services tax credit

Production services tax credit (amount from line 15, Column A)		23
Digital animation or visual effects production services tax credit (amount from line 15, Column B)	+	24
Regional production services tax credit (amount from line 22)	+	25
Total production services tax credits (add lines 23 to 25)	850 =	26

Enter on line 672 of Schedule 5 of your *T2 Corporation Income Tax Return* the amount of the British Columbia production services tax credits from line 26. If you are filing more than one of these forms, add the amounts from line 26 of all the forms and enter the total on line 672 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 **855** Date

