



**ONTARIO PRODUCTION SERVICES TAX CREDIT
(2009 and later tax years)**

Name of corporation	Business Number	Tax year-end Year Month Day
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- Use this schedule to claim an Ontario production services tax credit (OPSTC) under section 92 of the *Taxation Act, 2007* (Ontario). Complete a separate Schedule 558 for each eligible production.
- The OPSTC is a refundable tax credit that is equal to 18% of the qualifying Ontario labour expenditures (QOLE) incurred before January 1, 2008, plus 25% of the QOLE incurred after December 31, 2007, and before July 1, 2009, plus 25% of qualifying production expenditures (QPE) incurred after June 30, 2009, by a qualifying corporation in a tax year for eligible productions.
- The criteria for a corporation to be eligible for the OPSTC include the eligibility requirements in Part 3 of this schedule.
- A qualifying corporation's OPSTC is nil for an eligible production if it claims the Ontario film and television tax credit for that same production for any tax year.
- Before claiming an OPSTC, a qualifying corporation must first complete and sign the Ontario Media Development Corporation (OMDC) application for an OPSTC and forward it to the OMDC. If the production is eligible, the OMDC will issue a certificate certifying that the production is an eligible production and certifying the estimated amount of the corporation's OPSTC for the production. Enter the certificate information for the production in Part 2 of this schedule.
- To claim the OPSTC, include the following with the *T2 Corporation Income Tax Return* for the tax year:
 - a completed copy of this schedule for each production; and
 - a copy of the certificate of eligibility issued by the OMDC.

Part 1 – Contact information (please print)

110 Name of person to contact for more information	120 Telephone number including area code — —
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Part 2 – Identifying the eligible production

200 Certificate of eligibility number			
210 Production title			
220 Date principal photography started	Year	Month	Day
230 Estimated QOLE	240 Estimated OPSTC for the production		

Part 3 – Eligibility

1. Did the primary activities of the corporation in the tax year consist of carrying on of a film or video production business or a film or video production services business, through a permanent establishment in Ontario? **300** 1 Yes 2 No
2. Was the corporation exempt from tax for the tax year under Part III of the *Taxation Act, 2007* (Ontario) or Part I of the federal *Income Tax Act*? **310** 1 Yes 2 No
3. Was the corporation, at any time in the tax year, controlled directly or indirectly, in any way, by one or more persons, all or part of whose taxable income was exempt from tax under Part I of the federal *Income Tax Act*? **320** 1 Yes 2 No
4. Was the corporation, at any time in the tax year, a prescribed labour-sponsored venture capital corporation? **330** 1 Yes 2 No
5. Have you claimed an Ontario film and television tax credit for the production identified in Part 2? **400** 1 Yes 2 No

If you answered **no** to question 1, or **yes** to question 2, 3, or 4, then you are **not eligible** for the OPSTC.
If you answered **yes** to question 5, then you are **not eligible** for the OPSTC for this production.

Part 4 – Ontario labour expenditures incurred before July 1, 2009 for the eligible production

Salary or wages paid in the tax year to Ontario-based individuals that are directly attributable to the eligible production, for services performed in Ontario **405** _____ A

Add:

Remuneration, directly attributable to the eligible production for services performed in Ontario, paid in the tax year to:

- Ontario-based individuals **410** _____ a
- other taxable Canadian corporations (for their Ontario-based employees) **415** _____ b
- other taxable Canadian corporations (solely owned by an Ontario-based individual) . . . **420** _____ c
- partnerships (for their Ontario-based members or employees) **425** _____ d

Amounts paid to a parent corporation for Ontario labour expenditures it incurred for the subsidiary wholly-owned corporation under a reimbursement agreement **430** _____ e

Subtotal (total of amounts a to e) _____ ► **435** _____ B

Complete lines 440 and 445 if there is an entry on line 430:

Name of parent corporation **440** _____

Business Number of parent corporation **445** _____

Ontario labour expenditures for the eligible production for the tax year (amount A plus amount B) **450** _____ C

Add:

Ontario labour expenditures for the eligible production for all previous tax years **455** _____ D

Ontario labour expenditures for the eligible production (amount C plus amount D) **460** _____ E

Part 5 – Assistance attributable to expenditures incurred before July 1, 2009

Assistance received for the Ontario labour expenditures included in amount E (include amounts received, entitled to be received, or reasonably expected to be received by the corporation or any other person or partnership) **500** _____ 1

Deduct: Amounts repaid under a legal obligation **510** _____ 2

Subtotal (amount 1 minus amount 2) (if negative, enter "0") _____ ► **520** _____ f

Deduct: Amounts deemed to have been paid/received, as applicable, for the eligible production and included in amount E:

Federal tax credits* **530** _____ 3

Ontario refundable tax credits** **540** _____ 4

Tax credit amount (amount 3 plus amount 4) ► **550** _____ g

Net assistance (amount f minus amount g) (if negative, enter "0") ► **560** _____ F

* Include only the following federal tax credits: Canadian film or video production tax credit, investment tax credit, and investment tax credit of cooperative corporation.

** Include only the following Ontario refundable tax credits: Ontario production services tax credit, Ontario book publishing tax credit, Ontario computer animation and special effects tax credit, and Ontario sound recording tax credit.

Part 6 – Qualifying Ontario labour expenditures (QOLE) incurred before July 1, 2009

Ontario labour expenditures for the eligible production (amount E in Part 4) h

Deduct:

Net assistance (amount F in Part 5) 5

QOLE for the eligible production from all previous tax years **610** 6

Ontario labour expenditures that the corporation (parent) transferred under a reimbursement agreement to a subsidiary wholly-owned corporation ... **615** 7

Subtotal (total of amounts 5 to 7) **620** i

Qualifying Ontario labour expenditures for the tax year (amount h minus amount i) **625** G
(if negative, enter "0")

Part 7 – Ontario production expenditures incurred after June 30, 2009

Salary or wages paid in the tax year to Ontario-based individuals that are directly attributable to the eligible production, for services performed in Ontario **630** H

Add:

Service contract expenditures, directly attributable to the eligible production for services performed in Ontario, paid in the tax year to:

- Ontario-based individuals **632** j
- other taxable Canadian corporations (for their Ontario-based employees) **634** k
- other taxable Canadian corporations (solely owned by an Ontario-based individual) .. **636** l
- partnerships (for their Ontario-based members or employees) **638** m

Subtotal (total of amounts j to m) **640** I

Amounts paid to a parent corporation for eligible wage and service contract expenditures incurred by it for the subsidiary wholly-owned corporation under a reimbursement agreement **645** J

Complete lines 646 and 647 if there is an entry on line 645:

Name of parent corporation **646**

Business Number of parent corporation **647**

Eligible tangible property directly attributable to the eligible Ontario production **650** K
(see subsection 92(5.6) of the *Taxation Act, 2007* (Ontario))

Ontario production expenditures (total of amounts H to K) **655** L

Part 8 – Assistance attributable to expenditures incurred after June 30, 2009

Assistance received for expenditures included in amount L (include amounts received, entitled to be received, or reasonably expected to be received by the corporation or any other person or partnership) **657** 8

Deduct: Amounts repaid under a legal obligation **658** 9

Subtotal (amount 8 minus amount 9) (if negative, enter "0") **660** n

Deduct: Amounts deemed to have been paid/received, as applicable, for the eligible production and included in amount L:

Federal tax credits* **662** 10

Ontario refundable tax credits** **664** 11

Subtotal (amount 10 plus amount 11) **665** o

Net assistance (amount n minus amount o) (if negative, enter "0") **670** M

* Include only the following federal tax credits: Canadian film or video production tax credit, investment tax credit, and investment tax credit of cooperative corporation.

** Include only the following Ontario refundable tax credits: Ontario production services tax credit, Ontario book publishing tax credit, Ontario computer animation and special effects tax credit, and Ontario sound recording tax credit.

Part 9 – Qualifying production expenditures (QPE) incurred after June 30, 2009

Ontario production expenditures for the eligible production (amount L in Part 7)				N
Deduct:				
Net assistance (amount M in Part 8)			p	
QPE for the eligible production from all previous tax years	675		q	
Eligible wage and service contract expenditures that the corporation (parent) transferred under a reimbursement agreement to a subsidiary wholly-owned corporation	680		r	
Subtotal (total of amounts p to r)			685	O
Qualifying production expenditures for the tax year (amount N minus amount O) (if negative, enter "0")		695		P

Part 10 – Ontario production services tax credit calculation

Portion of QOLE for the tax year (amount G in Part 6) incurred before January 1, 2008 ..	700	_____ × 18% =		Q
Portion of QOLE for the tax year (amount G in Part 6) incurred after December 31, 2007, and before July 1, 2009	705	_____ × 25% =		R
QPE for the tax year (amount P in Part 9) incurred after June 30, 2009	715	_____ × 25% =		S
Ontario production services tax credit (total of amounts Q to S)			720	T

Enter amount T on line 460 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 558, add the amounts T from all the schedules and enter the total on line 460 of Schedule 5.