



CANADIAN FILM OR VIDEO PRODUCTION TAX CREDIT (2010 and later tax years)

Name of corporation, Business number, Tax year-end (Year, Month, Day)

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.

Do not use this area Code number 047

- To claim this credit, include the following with your T2 Corporation Income Tax Return for the tax 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.

For information on claiming this tax credit, go to www.cra.gc.ca/filmservices or refer to Guide RC4164, Claiming a Canadian Film or Video Production Tax Credit - Guide to Form T1131.

Part 1 - Contact Information (please print)

151 Name of person to contact for more information, 153 Telephone number including area code

Part 2 - Identifying the Canadian film or video production

301 Title of production, 302 Date principal photography began (Year, Month, Day), 303 CAVCO reference number (for a certificate issued before April 1, 2010), 304 CAVCO certificate number, 305 From, 306 To

- 1. Is the production a Canadian co-production involving only qualified corporations? 311 1 Yes [ ] 2 No [ ]
2. Is the production a treaty co-production? 312 1 Yes [ ] 2 No [ ]
3. Is the production co-owned by a prescribed person? 313 1 Yes [ ] 2 No [ ]

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? 1 Yes [ ] 2 No [ ]
2. Was all or part of the corporation's taxable income exempt from Part I tax at any time in the tax year? 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 Part I tax? 1 Yes [ ] 2 No [ ]
4. Was the corporation at any time in the tax year a prescribed labour-sponsored venture capital corporation? 1 Yes [ ] 2 No [ ]
5. Is the production, or an interest in a person or partnership that directly or indirectly has an interest in the production, a tax shelter investment for purposes of section 143.2? 1 Yes [ ] 2 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.

**Part 4 – Production commencement time**

The production commencement time, as defined in subsection 125.4(1) of the *Income Tax Act*, is the **earliest of these dates**:

a) the date principal photography began; and	651	Year	Month	Day
b) the <b>latest</b> of:		Year	Month	Day
i) the date the first script labour expenses were incurred;	652	Year	Month	Day
ii) the date the production rights were acquired; <b>and</b>	653	Year	Month	Day
iii) two years before the date principal photography began	654	Year	Month	Day

**Part 5 – Production cost limit**

Cumulative production cost as at the end of the tax year	421	_____	A
<b>Deduct:</b>			
Government or non-government assistance that the corporation has not repaid	423	_____	B
		Subtotal (amount A <b>minus</b> amount B)	C
Amount C _____ × 60% =		_____	D
<b>Deduct:</b>			
Qualified labour expenditures for all previous tax years	427	_____	E
<b>Production cost limit</b> (amount D <b>minus</b> amount E)	430	=====	F

**Part 6 – Qualified labour expenditure**

**Labour expenditure for the tax year** is the total of:

Salary or wages paid that are directly attributable to the production	601	_____	a
Remuneration directly attributable to the production paid to:			
– individuals	603	_____	b
– other taxable Canadian corporations	605	_____	c
– taxable Canadian corporations (solely owned by an individual)	606	_____	d
– partnerships carrying on business in Canada (for their members or employees)	607	_____	e
Labour expenditure transferred under a reimbursement agreement by the corporation, a wholly owned subsidiary, to the parent corporation that is a taxable Canadian corporation	609	_____	f
Labour expenditure for the tax year (total of amounts a to f)		=====	G
Labour expenditures for all previous tax years	611	_____	H
Total labour expenditures (amount G <b>plus</b> amount H)		_____	I
<b>Deduct:</b>			
Qualified labour expenditures for all previous tax years	613	_____	g
Labour expenditure transferred under a reimbursement agreement by the parent corporation, that is a taxable Canadian corporation, to the corporation, a wholly owned subsidiary	615	_____	h
Subtotal (amount g <b>plus</b> amount h)		=====	J
<b>Labour expenditure for the tax year</b> (amount I <b>minus</b> amount J)	618	=====	K
<b>Qualified labour expenditure</b> (the lesser of amount F in Part 5 and amount K)		=====	L

**Part 7 – Canadian film or video production tax credit**

<b>Canadian film or video production tax credit</b> (amount L in Part 6 <b>multiplied by</b> 25%)	620	=====	M
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Enter amount M on line 796 of your *T2 Corporation Income Tax Return*. If you are filing more than one Form T1131, add amount M from all the forms and enter the total on line 796 of your *T2 Corporation Income Tax Return*.