



California Film & Television Tax Credit Program

GUIDELINES

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I. Introduction

These guidelines have been prepared to assist Production Companies and taxpayers in utilizing the California Film & Television Tax Credit Program. The material below contains the statutory (SBX3-15, Chapter 10) and regulatory (Regulations) requirements in a more readable, organized format. It does not contain any new or additional statutory or regulatory requirements, but may add clarity to certain provisions. Applicants should read and understand the requirements of SBX3-15 and the Regulations and are also strongly advised to consult with their legal and financial advisors prior to submitting an application.

These guidelines contain terms whose meanings are defined in Section XII. The defined terms will appear in **bold** and "quotations," and the Applicant is encouraged to refer to the definitions section as needed.

II. Program Funding and Project Eligibility

- A. The California Film Commission (CFC) provides tax credits based on "**Qualified Expenditures**" for qualified productions that are produced in California. Initiated by Governor Arnold Schwarzenegger and approved by the State Legislature in February 2009, the \$500 million program will commence on July 1, 2009.
- B. The California Film Commission has the authority to allocate \$100 million dollars of tax credits each fiscal year through (and including) the 2013/14 fiscal year. Up to \$10 million of the tax credits will be reserved for Independent productions each fiscal year and more funds may be available for Independent productions from the non-Independent fund allocation. The California fiscal year begins July 1 and ends June 30 of the following year.
- C. To apply for the California Film & Television Tax Credit Program, a film or television project must be one of the following:
 1. A "**Feature film**" with a minimum production budget of one million dollars (\$1,000,000) and a maximum budget of no more than seventy five million dollars (\$75,000,000).
 2. A "**Movie of the Week**" or "**Miniseries**" with a minimum budget of five hundred thousand dollars (\$500,000).
 3. A new "**Television Series**" licensed for original distribution on basic cable with a minimum per episode budget of one million dollars (\$1,000,000) and an episode length greater than thirty (30) minutes (inclusive of commercial advertisements and interstitial programming).
 4. "**A Television series that relocates to California**", without regard to episode length, that filmed all of its prior season or seasons (minimum of 6 episodes) outside of California. There is no minimum per episode budget requirement for a relocating television series. The series may be

produced for distribution in any media outlet, including but not limited to, basic cable, pay (premium) cable, or network broadcast.

5. An "**Independent Film**" with a minimum budget of one million dollars (\$1,000,000) and a maximum budget of ten million dollars (\$10,000,000) that is produced by a company that is not publicly traded and that publicly traded companies do not own more than 25% of the producing company. Mini-series and Movies of the Week may be considered an Independent film provided they meet the above requirements.

D. A "**Qualified Motion Picture**" *must be one of the above* eligible types of productions (as seen in Section II.C.) AND meet one of the following conditions:

1. Seventy-five percent (75%) of total principal photography days must occur wholly in California. Principal photography days in California do not include the filming of primarily backgrounds, visual effects, action and/or crowd scenes by the second, stunt, or visual effects units;

OR

2. Seventy-five percent (75%) of the "**Total Production Budget**" must be incurred and used for goods, services and/or wages within California. This can be determined by evaluating if 75% of your "**Total Production Budget**" - including both qualified and non-qualified expenditures such as ATL wages, out-of-state spend, and rights will be spent as described above. Only financing fees and completion bond fees can be excluded when assessing budget threshold amounts.

E. Budget Thresholds for Independent and Feature Films

1. As noted in this guideline, the tax credit program has maximum budget thresholds for "**Independent Films**" (\$10 million) and "**Feature Films**" (\$75 million). The addition of completion bond fees may in some cases make a production ineligible if it increases the Total Production Budget beyond these thresholds.
2. If the completion bond fee affects the eligibility of a production to qualify for the Tax Credit Program, then this fee may be deducted from the Total Production Budget. However, if the Applicant omits the completion bond fee for the purpose of falling below the \$10 million or \$75 million dollar thresholds, then the bond fee will not be considered a Qualified Expenditure for the purposes of this program.

F. Allowable Tax Credit for Qualified Productions

1. Qualified "**Independent Films**" are eligible to receive **25%** of qualified expenditures as a transferable tax credit.

2. A television series that filmed all of its previous seasons outside the state and relocates to California is eligible to receive **25%** of its qualified expenditures as a non-transferable tax credit.
3. A Feature Film, Mini-Series, Movie Of The Week or new Television Series for original broadcast on basic cable is eligible to receive **20%** of its qualified expenditures as a non-transferable tax credit.

G. The following types of productions are not considered qualified motion pictures and are not eligible for the program:

- Commercials
- Music videos
- **"Television Pilots"**
- News programs, current events or public affairs programs
- Talk shows; game shows; **"strip shows"**
- Sporting events
- Half hour (airtime) episodic TV shows (unless it qualifies under the conditions for a **"Television Series that Relocated to California"**)
- Awards shows
- Productions that solicit funds
- **"Reality programs"**
- Student films
- Industrial films
- Clip-based programming where more than 50% of content is comprised of licensed footage
- Documentaries
- Variety programs
- Daytime dramas
- Any production for which records are required to be maintained with respect to any performer in such production under Section 2257 of Title 18 of the United States Code (reporting of books, films, etc. with respect to sexually explicit conduct)

III. Qualified and Non-Qualified Expenditures

"Qualified Expenditures" are the portion of production expenditures that qualify for a tax credit allocation. These costs must be incurred in the State of California, and can include crew and staff salaries, wages and fringe benefits; cost of rental of facilities and equipment; production operation costs such as construction, wardrobe, food, lodging and lab processing. Qualified wages include payments to **"Qualified Entities,"** such as Loan Out Corporations, which are registered to do business in California. All services must be performed in California.

- A. The **Schedule of Qualified Expenditures** is a helpful guide for determining which expenditures qualify in the calculation for credits, along with providing

important information for budgeting, tracking and reporting qualified expenditures. Qualified Expenditure Charts are available for feature films, mini-series and MOWS, Television series, and Animated productions.

- B. **Non-Qualified Expenditures** do not qualify for tax credit allocation and include, but are not limited to, the following:
1. Wages paid to writers, directors, music directors, music composers, music supervisors, producers, and performers, other than background actors with no scripted or ad-lib lines.
 2. Expenses, including wages, paid or incurred with respect to acquisition, development, turnaround or any rights thereto.
 3. Expenses, including wages, related to financing, overhead, marketing, publicity, promotion or distribution of a qualified motion picture, including but not limited to digital cinema distribution copies and release prints.
 4. Expenses, including wages, related to "**new use**", "**reuse**", "**clip use**", licensing, secondary markets, residual compensation or the creation of any ancillary product including but not limited to, a soundtrack album, toy, game, video game, trailer or teaser.
 5. Expenses for services performed outside the state of California, e.g., visual effects work which is physically performed out-of-state.
 6. Certified Public Accountant Expenses for an independent Agreed Upon Procedures Report.
 7. State and Federal Income taxes.

IV. Budget and Calendar Requirements/Parameters

- A. Applications must be submitted at least thirty (30) calendar days prior to the start of principal photography. *Any expenditures for services, wages, or goods incurred prior to the issuance of the Credit Allocation Letter will not qualify for credits.*
- B. Principal photography must commence no later than 180 days after the tax Credit Allocation Letter is issued. If the production does not begin filming prior to the 180 day deadline, the tax credit allocation will be revoked. The production company may reapply when a firm start date is known; however, there is no guarantee that tax credits will be available.
- C. If an Independent Film is issued a Credit Allocation Letter and then exceeds the \$10 million budget threshold, it will be reclassified as a Feature Film. The Applicant does not need to submit a new application, but the credit allocation percentage will be adjusted to 20% and the application will be placed at the end of the queue for any available tax credits in the non-Independent Film allocation category. The credits will no longer be transferable.

- D. If a Feature Film is issued a Credit Allocation Letter and then exceeds the \$75 million budget threshold during production/post-production, the project will be disqualified and the Credit Allocation Letter will be revoked.
- E. Postproduction must be completed within 30 months of the issuance of the Credit Allocation Letter. The process of post production will be considered complete when a final composite answer print, air master, or digital cinema files of the qualified motion picture is/are produced.
- F. Tax Credits may be utilized beginning in the tax year 2011. No tax credit certificates will be issued prior to January 1, 2011.

V: The Application Process and The Queue

- A. The CFC will accept applications from 9:00 a.m. to 3:00 p.m. PST beginning July 1, 2009. *Any application received prior to 9:00 a.m. on July 1, 2009 will be returned to sender unprocessed.* If an applicant plans to submit applications for multiple projects, each application must be submitted separately in an individual envelope. Any envelope containing more than one application will be returned to sender unprocessed. Any application received after 3:00 p.m. will be processed along with any applications that arrive on the following day. The Application Form (CFC Form A) along with all other program forms can be found in All Program Forms.
 - 1. Applications will be assigned queue numbers on a first-come, first-served basis as determined by the date the applications are received by the CFC. In the event that more than one application is received on any one date, a random selection process will determine the order of all applications received on the same date. Therefore, it is not necessary to be the first applicant of the day; as long as your packet is submitted by 3:00pm, it will be included in that day's queue assignment.
 - 2. Randomly selected applications will be given a queue number and will be assessed for eligibility for the tax credit program in that order.
 - 3. Any project with missing application materials will receive a queue number but will not be eligible for tax credit allocation. Applicants will be requested to supply any missing information within (3) business days of notification. Failure to do so may result in removal from the queue.
 - 4. If there are more qualified applicants than funds available, the applicant will be notified and may remain on the queue list. Should tax credits become available, the CFC will notify the applicant at the top of the list to determine if that applicant is still interested in receiving a tax credit allocation. Applicants waiting in the queue who have started principal photography in the state would need to revise their estimate of qualified expenditures to reflect qualified expenditures incurred after issuance of the Credit Allocation Letter. Applicants are requested to please notify the CFC if they are on the queue list but have a change in status e.g., filming out of state or a delay in the production schedule.

5. Applicants should not submit more than one application for a project. If the CFC receives duplicate applications for the same project, it will be good cause to disqualify the applicant from the tax credit program.
 6. A television series must submit one application for the entire television season of that television series.
 7. Once a television series has been approved and accepted into the program, that series will be placed at the top of the queue (based on the year and original queue order assigned) for each subsequent year in the life of that series whenever credits are assigned within a fiscal year. Television producers are requested to notify the California Film Commission in writing prior to the next open allocation period if the series will be filmed the following year in California, so as to place the production at the top of the queue. A new application must be submitted each year.
- B. The following **supporting documentation** must be submitted with your application. All supporting documents which can be submitted electronically (excluding the Application) can be e-mailed to incentiveprogram@film.ca.gov *with the Applicant's name in the subject line*. Any documents e-mailed prior to 9:00a.m. PST on July 1, 2009 will be deleted. A checklist is available to help organize your documentation.
1. **Budget** indicating the Qualified Expenditures, minus financing fees. These expenditures should be based on the budget which, after revisions, will become the locked production budget, utilized by the bond company, production company and/or studio for the purpose of tracking costs. - *One hard copy (double sided preferred) and electronic copy in an industry standard budgeting program.*
 - a. If you included the completion bond fee in your "**Total Production Budget**" then you can include it as a qualified expenditure. If you did not include it for the purpose of falling below the \$10 million or \$75 million dollar thresholds, then the bond fee will not be considered a Qualified Expenditure and should not be included in this Budget. Qualified Expenditure Charts provide detailed information on qualified and non-qualified expenditures for different types of productions.
 - b. A Television Series may submit a pattern budget of qualified expenditures including all amortization costs in lieu of the budget listed above. Refer to Qualified Expenditure Charts.
 - c. Animated productions must submit a budget of qualified expenditures including, but not limited to, direct labor and an appropriate allocation of indirect labor including but not limited to: engineering, software developers, project coordinators, visual effects supervisors, creative directors, finance and accounting personnel; materials required for production of a specified animated production; insurance; legal fees; communication expenses; depreciation on capitalized shared equipment used in creating content; repairs and maintenance on shared equipment used in creating content; occupancy costs (including rent, depreciation on

leasehold improvements, utilities, security). Refer to Qualified Expenditure Charts.

- d. A Contingency of not more than 10% may be included in your budget. Any portion of the contingency that is spent on qualified expenditures should be included in your final qualified expenditure total.
 - e. The tax credit allocation, if approved, will be based on your qualified expenditure estimate; only the actual amount of qualified expenditures (equal to or less than your estimate) will be eligible for tax credits.
2. **One Line Shooting Schedule** ("Production Board") - *paper copy and electronic PDF*.
 - a. Television Series may submit a production calendar, and a summary which must include the estimated start and end dates of the season, the number of in-state and out-of-state principal photography days, and the total number of episodes, in lieu of a one-line shooting schedule.
 - b. Animated productions may submit a production schedule indicating sequences and the estimated start and end dates of major departments including modeling, animation, lighting, and effects, in lieu of a one-line shooting schedule.
 3. **Synopsis** (one or two page script story summary) of screenplay, teleplay or series. *One hard copy and electronic PDF or Word document*.
 4. **Screenplay** - if for confidentiality reasons a script is unavailable, submit a one-line schedule in continuity order. A TV series may provide a script from the pilot episode. *PDF file preferred; if not, double-sided paper copy*.
 5. **Financing Sources Report** (CFC Form B) for the production, detailing major sources of funding. (Applicants that indicate that their motion picture production is 100% self financed in Section 5 on the Application Form A, do not have to submit this report.) Applicants must include supporting documentation which confirms at least 60% of financing. Include documentation for *each* financing source e.g., commitment letters, financing agreements, terms sheets and/or Completion Bond commitments. Insufficient documentation will cause applicant to move to the back of the queue. Tax credits will not be allocated until the above documentation is provided.
 6. **Relocation Statement:** All Relocating Series applicants must submit a certification stating that the tax credit provided is the primary reason for relocating.
 7. **Independent Film Declaration** (CFC Form C): An Independent producing company must provide a declaration stating that they are not owned by a

publicly traded company or that publicly traded companies do not own, directly or indirectly, more than 25% of the producing company.

VI. Issuance of Tax Credit Allocation Letter

- A. Within 20 business days of receipt of the completed application and all requested supporting documents, the California Film Commission will notify the applicant by e-mail of accepted or rejected status. Upon approval, a "**Credit Allocation Letter**" will be issued to the applicant indicating the amount of credits reserved pending the project's continued eligibility and final documentation.
- B. The date of issuance of the Credit Allocation Letter is the same date by which the program's date-sensitive parameters will be assessed e.g. (1) date when monies spent are considered qualified expenditures; (2) meeting with the CFC; (3) maximum time allotted for the start of principal photography; and (4) completion of the motion picture.
- C. Within one month of issuance of the Credit Allocation Letter, an Applicant is required to have at least two of the following staff members attend an orientation meeting with the CFC: a primary producer, Unit Production Manager (UPM), production accountant and/or other appropriate personnel.

VII. Approved Applicant Responsibilities

- A. Submit a call sheet, signed by the UPM, on the first day of principal photography - *PDF via email to incentiveprogram@film.ca.gov with applicant name in subject line.*
- B. Final Production Reports for each day of principal photography, signed by the UPM; may be submitted on a weekly basis in arrears - *PDF via email as described above.*
- C. Monthly Status Report (CFC Form I) - Within 5 business days after each month end from pre-production through post-production, indicating any changes to the Project - *PDF via email.*
 - 1. If after the initial report, if there are no changes to project status, the applicant may email the CFC at incentiveprogram@film.ca.gov (include the applicant's name in the subject line and the Credit Allocation number in the body of the email, please) stating that there is no change to the estimated budget or schedule since the last Monthly Report.
- D. Fiscal Year-End Expenditure Report (CFC Form K) - The California fiscal year is from July 1 to June 30. If the production extends over more than one State of California fiscal year, the production will need to submit a report providing the information requested on production manpower and expenditures which were incurred through the current fiscal year - *PDF via email.*

VIII. Process for Obtaining the Tax Credit Certificate

Upon completion of the project and prior to the issuance of the Tax Credit Certificate, the applicant must provide to the California Film Commission:

Failure to provide the requested documentation may result in loss of the credit

- A. Request for Tax Credit Certificate (CFC Form J).
- B. A letter from the post production facility (or post production department) on company letterhead, stating the date that the final elements were created. The process of post production is considered finished when a final composite answer print, air master or digital cinema files of the qualified motion picture is/are produced. In the case of a television series, the required letter should refer to the final episode of the season.
- C. Proof of copyright registration of the screenplay or teleplay OR proof of copyright registration of the motion picture, television series or television movie. The copyright holder may be the qualified taxpayer, its affiliate, or an unaffiliated company for which the qualified applicant is producing the motion picture.
- D. Expenditure Summary Report (CFC Form F) - This report must be verified by an Independent, California licensed Certified Public Accountant (CPA) - *One hard copy and electronic PDF.*
- E. Cast, Crew and Vendor Lists - Please include name, home address, home phone, and personal email addresses. This personal information is exempt from disclosure and is considered confidential pursuant to the Information Practices Act - *PDF file.*
- F. Main and end title final "checker" or "galley," signed by production representative which may include Credits Administration, Legal Affairs, or the Post Production Supervisor. The checker or galley is the actual layout of the titles normally produced by a Title House or other post production facility - *PDF file.*
- G. Employment Diversity Report (CFC Form H) - Documentation to illustrate the diversity of the workforce employed by the applicant during the production - *One hard copy and electronic PDF.*
- H. Aggregate Filming Days Summary - Please submit a report which includes the total number of filming days in and outside of California for motion picture productions by category (Feature, MOW, Mini-Series, TV Series, Animated Production) produced by the Applicant and its controlled Affiliates during the calendar year of the application.
- I. Agreed Upon Procedures Report, performed by an independent California licensed CPA. The requirements in the Agreed Upon Procedures report will be

in the proposed regulations for the permanent adoption of the California Film & Television Tax Credit Program. In order to prepare for the requirements of this report, production accountants should refer to Expenditure Tracking Tips.

- J. Revised Contact Information - If there is a change in the contact information for the applicant and/or key production personnel, please include this information when applying for the Tax Credit Certificate.

IX. Approval/Disapproval of Tax Credit Allocation

- A. The CFC will review all the required materials submitted by the applicant to determine if the applicant meets all the criteria for the program and will approve or disapprove the request for the credit certificate. During the review, the CFC may request additional documentation to determine if the production is a qualified motion picture and to verify the qualified expenditures.
- B. The amount of tax credit allocated shall be based on the percentage of the qualified expenditures confirmed in the Agreed Upon Procedures Report. This amount may be less than the amount indicated on the Credit Allocation Letter.
- C. If the request for a tax credit certificate is denied, the CFC will provide the applicant with a notice of disapproval stating the reasons for such. Disapproval is final and not subject to administrative appeal or review.

X. Screen Credit and other Marketing Materials

- A. All productions that receive a credit certificate must provide an on-screen acknowledgement to: "The State of California and the CALIFORNIA FILM COMMISSION", except where that acknowledgement may be prohibited by the Children's Television Act or any other local, state, or federal government policy.
- B. Production Stills: (5) production stills in digital file format cleared by production company and with cast approvals (if cast members are included in the stills) for promotional use by the California Film Commission.
- C. Electronic Press Kit (when & if available.)
- D. OPTIONAL: The CFC requests that the production include the California Film Commission Logo in the end credits. Contact the CFC for access to the digital file containing the logo in the format required for your production.

XI. Confidentiality

Any documents submitted for the California Film & Television Tax Credit program are subject to the California Public Records Act and considered a matter of public record,

except for personal information, such as social security numbers, names and personal addresses. Please keep this in mind when submitting information.

XII. Definitions

"Affiliate" means a qualified taxpayer's affiliated corporation that has been assigned any portion of the credit amount by the qualified taxpayer.

"Ancillary Product" means any article for sale to the public that contains a portion of, or any element of, the qualified motion picture.

"Animation Production Companies" create content on their own behalf where they do not utilize or incorporate live action footage but create a Motion Picture consisting principally of computer generated, hand painted images and/or stop action animation.

"Applicant" is any corporation, partnership, limited partnership, limited liability corporation (LLC) or other entity or individual that is principally engaged in the production of the "qualified motion picture" and that controls the film or television program during pre-production, production and post-production. The applicant is the qualified taxpayer that upon final approval will receive the tax credit certificate.

"Basic Cable" means non-broadcast television programming that is transmitted to the viewer via cable, satellite, wireless, or internet protocol for a basic subscription fee, as opposed to a separate channel or group of channels for which the viewer pays a separate per program or per channel fee (which fee is a substantial charge relative to other charges made to the subscriber.)

"California Film Commission" (CFC) is a state entity established and described in Government Code sections 14998 et. seq. that among other functions facilitates and promotes motion picture and television production in the State of California.

"Clip Use" means a use of any portion of a motion picture, other than the qualified motion picture, used in the qualified motion picture.

“Completed” means when the process of postproduction has been finished. The process of postproduction shall be considered finished when a final composite answer print, HD air master, or digital cinema files of the qualified motion picture is/are produced.

“Credit Allocation Letter” is the document issued by the California Film Commission reserving an amount of tax credits to an applicant having a “qualified motion picture” based on an estimate of "qualified expenditures."

“Credit Certificate” means the certificate issued by the California Film Commission upon completion of the qualified motion picture reflecting the credit amount allocated after qualified expenditures have been verified.

"Feature Film" means a production of a film intended for commercial distribution to a motion picture theater, directly to the home video market, or via the Internet that has a running time of at least seventy-five (75) minutes in length.

"Independent Film" means a motion picture with a minimum budget of one million dollars (\$1,000,000) and a maximum budget of ten million dollars (\$10,000,000) that is produced by a company that is not publicly traded and publicly traded companies do not own directly or indirectly more than 25% of the producing company. A Mini-Series or MOW which fits this criteria may be considered an "Independent Film".

"Licensing" means any grant of rights to distribute the qualified motion picture, in whole or part.

"Miniseries" means a motion picture, produced for initial exploitation on television, which contains a scripted storyline requiring two or more consecutive hours of programming (inclusive of commercial advertisements and interstitial programming, defined as short programming which is often shown between televised movies or other events).

"Movie of the week," which may also be known as “MOW” or “made for television movie,” means a motion picture, produced for initial exploitation on television, which

contains a scripted storyline requiring two or more consecutive hours of programming (inclusive of commercial advertisements and interstitial programming).

"New Use" means any use of a motion picture in a medium other than the medium for which it was initially created.

"Post Production" means the final activities in a qualified motion picture's production, including but not limited to editing, foley recording, ADR, sound editing, negative cutting, color correction and sound mixing.

"Pre-Production" means the process of preparation for actual physical production which begins after a qualified motion picture has received a firm agreement of financial commitment. Customarily includes but is not limited to activities such as location scouting, hiring of key crew members, and establishment of a dedicated production office.

"Principal Photography" means the phase of production during which the motion picture is actually shot, as distinguished from preproduction and post production. Principal photography days refers to the number of days shot by the principal unit with the director and lead actors usually present. Principal photography days in California do not include the filming of primarily backgrounds, visual effects, action and/or crowd scenes by the second, stunt, or visual effects units.

"Producer" – means any individual who receives an on-screen producer credit including but not limited to any of the following titles: producer, co-producer, line producer, executive producer, co-executive producer, associate producer, supervising producer, post producer, or visual effects producer.

"Production Period" means the period beginning with preproduction and ending upon completion of post-production.

"Qualified Entity" means a personal service corporation (as defined in Section 269(b)(1) in the Internal Revenue Code), a payroll services corporation, or any entity receiving qualified wages with respect to services performed by a qualified individual.

"Qualified Expenditure" means amounts paid or incurred to purchase or lease tangible personal property used within the state in the production of a qualified motion picture. It includes payments, including qualified wages, for services performed within the state in the production of same.

"Qualified taxpayer" is the entity who has paid or incurred qualified expenditures and to whom the final credit certificate will be issued.

"Reality Program" means a program depicting real events and non-actors through actual footage which presents persons engaged in purportedly unscripted situations; no fictional characters are created.

"Residual Compensation" means supplemental compensation paid at the time that a motion picture is exhibited through new use, reuse, clip use, or in secondary markets, as distinguished from payments made during production.

"Reuse" means any use of a qualified motion picture in the same medium for which it was created, following the initial use in that medium.

"Secondary Markets" means media in which a qualified motion picture is exhibited following the initial media in which it is exhibited.

"Strip Show" means television programming in which three or more episodes are regularly produced in their entirety in one week (e.g., "Judge Judy", "Entertainment Tonight").

"Television Pilot" means the initial episode produced for a proposed television series. This category will include shorter formats which are known as "television presentation," a

production of at least fifteen (15) minutes in length, produced for the purposes of selling a proposed television series, but not intended for broadcast.

“Television Season” means the initial exhibition of a set of television episodes lasting no less than 6 episodes and no more than 30 episodes within a period of twelve (12) months.

“Television Series” also known as “episodic television,” means a regularly occurring production.

“Television Series that relocated to California” means a television series, without regard to episode length or initial media exhibition, that filmed all of its prior season or seasons outside of California and for which the taxpayer certifies that the credit provided is the primary reason for relocating to California.

“Total Production Budget” means the Budget used by the Qualified Taxpayer and production company for all Qualified Motion Picture purposes, including complying with budget thresholds, and shall include but is not limited to Above-The-Line costs including wages, and Below-The-Line costs including post-production, insurance, story rights, and music and clip licensing fees. Total Production Budget shall include wages, goods, and services performed and incurred within and outside of California.

Please contact the California Film Commission if you have questions regarding the Film & Television Tax Credit program - we are here to assist you.

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