

MAKE IT IN
AUSTRALIA.

**POST, DIGITAL AND
VISUAL EFFECTS
PRODUCTION (PDV)
OFFSET**

A 15% REBATE ON QUALIFYING PDV EXPENDITURE.

POST, DIGITAL AND VISUAL EFFECTS PRODUCTION (PDV) OFFSET

A 15% rebate on qualifying PDV Expenditure (QAPE incurred in relation to PDV work) of at least A\$0.5 million*. The production does not need to be filmed in Australia.

Qualifying expenditure includes (but is not limited to): visual effects, audio and visual editing and mixing, orchestration, green-screen photography and many other tasks. It can also include salaries, per diems and travel for PDV related staff and crew, as well as rental of relevant facilities and equipment.

The PDV Offset cannot be combined with either the Location or Producer Offset.

ELIGIBILITY

Applicant companies are eligible if they are an Australian resident company or non-Australian resident company with permanent establishment in Australia and an Australian Business Number (ABN).

The production must have a total Qualifying Australian Production Expenditure (PDV related QAPE) of at least A\$0.5 million* on a feature film, telemovie or television mini-series or series.

APPLYING FOR A PROVISIONAL CERTIFICATE (OPTIONAL)

A company may apply for a provisional certificate during production to DEWHA. Although this does not provide a guarantee of final certification, it can assist in identifying those costs which can be counted as QAPE.

APPLYING FOR FINAL CERTIFICATION

Following the completion of the production, the company applies to DEWHA for final certification. DEWHA will assess the amount of QAPE incurred by the company. Applications can be made when Qualifying Australian PDV Expenditure has finished.

CLAIMING THE OFFSET

The Offset is claimed by providing the final certificate with the company's tax return to the Australian Taxation Office.

The Offset amount is first applied against any of the production's tax liabilities, with the balance then promptly paid to the applicant company by the Australian Taxation Office.

More detailed application and claims information is available from:

Department of Environment, Water Heritage and the Arts (DEWHA)

T + 61 2 6275 9645

E filmenquiries@environment.gov.au

www.arts.gov.au/film/australian_screen_production_incentive

BENEFITS

- // Pays a rebate on all eligible post, digital and visual effects production costs
- // Most PDV activities are considered eligible
- // Not tied to filming in Australia
- // Clear and transparent – with no third-party or investor schemes required for eligibility
- // No cap/maximum on payout amounts per project – spend more, get more back!
- // No annual budget limit on the Offset
- // Timely and efficient
- // Non-recoupable
- // No cultural or content tests
- // Exchange rate used to assess eligibility will be the rate current on the day that creation of the visual image commences

* Effective 1 July 2010 & subject to legislative amendment.

A 15% REBATE ON QUALIFYING PDV EXPENDITURE.

POST, DIGITAL AND VISUAL EFFECTS PRODUCTION (PDV) OFFSET

WHAT YOU NEED TO KNOW

// The PDV Offset must be claimed through an applicant company being either:

- An Australian Resident Company or
- A Foreign Resident Company with an ABN (Australian Business Number) operating through a permanent establishment in Australia.

// Expenditure must be incurred through this entity (i.e. paying all the local vendors and staff etc where applicable)

// The offset can only be claimed once – after completion of all qualifying expenditure

// The offset expenditure needs to be audited prior to submission to the authorities for certification and payment

// The offset is administered through the DEWHA (certification) & the Australian Tax Office (payment).

// The refund is paid by cheque to the applicant company via its corporate income tax return

// Historical data demonstrates that Australian incorporated companies have more commonly been used than foreign residents with permanent establishments.

// A newly formed clean company (commonly referred to as SPV) can be created to achieve this or utilize an existing Australian service company

// Be sure to consider the anticipated timing for the expenditure to be audited, certified and the Offset paid based on your planned schedule

// If the entity making the claim is also the entity providing the PDV services, this may impact on the amount of QAPE claimable. It is recommended that you seek advice on the best approach for claiming the PDV Offset for your individual project.

AUSFILM YOUR GATEWAY TO THE AUSTRALIAN FILM AND TELEVISION INDUSTRY.

AUSFILM

AUSTRALIA
Fox Studios Australia
FSA #12 Building 23c
38 Driver Ave
Moore Park Nsw 2021
Australia

T + 61 2 9383 4192
F + 61 2 9383 4190
E incentives@ausfilm.com.au

UNITED STATES
2029 Century Park East
Suite 3150
Los Angeles
CA 90067 USA

T + 1 310 229 2362
F + 1 310 201 8410
E incentives@ausfilm.com.au

