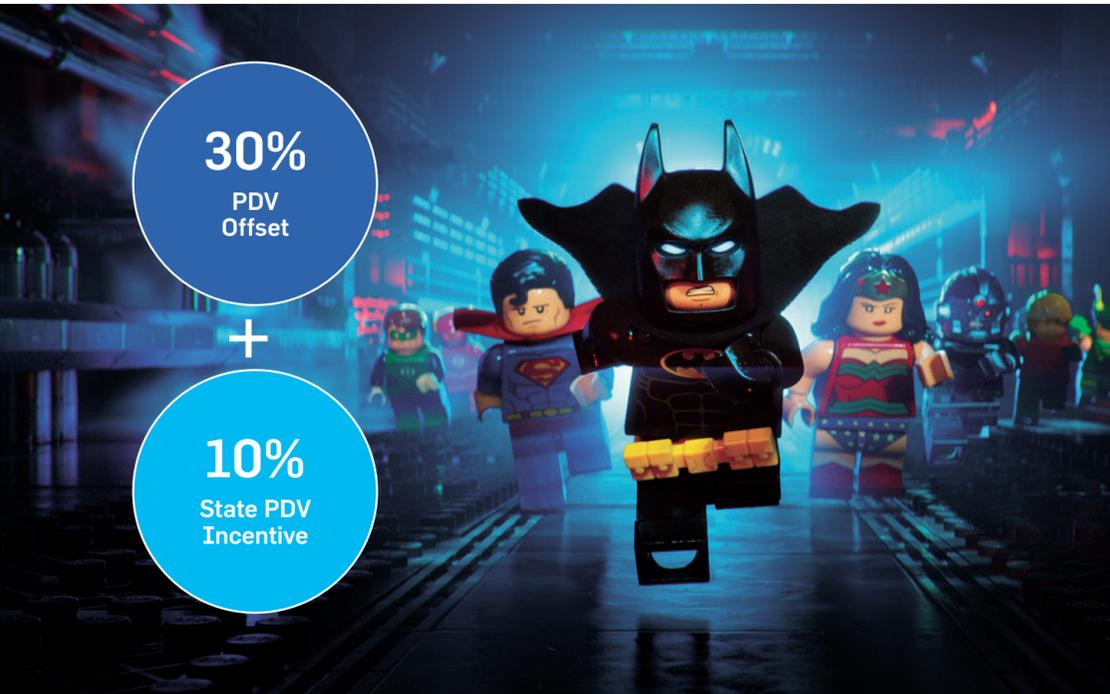


The PDV Offset

Australia has a globally awarded post, digital and visual effects (PDV) industry, whose work can be seen in marquee titles including *Captain Marvel*, *The LEGO® Movie 2: The Second Part*, *Black Panther*, *Mary Poppins Returns*, *X-Men: Dark Phoenix*, *Dumbo*, *Captain Marvel*, Emmy®-winning work on *Game of Thrones* series 6 and 7, *Christopher Robin*, *Men in Black: International* and *John Wick: Chapter 3 Parabellum*.

Projects do not need to be filmed in Australia to benefit from the Australian Federal Government's PDV Offset, or the PDV Offsets offered by state screen agencies.



The PDV Offset Eligibility

- ✓ Eligible formats include feature films, telemovies, television series (including documentary, reality, animation) and television mini-series.
- ✓ Must meet minimum QAPE threshold of AU\$500,000 on Australian PDV services.

The PDV Offset Benefits

- ✓ A refundable tax offset of 30% of QAPE with the potential of further rebates from state government incentives.
- ✓ No expenditure cap or sunset.

"There is fantastic talent in Australia's VFX industry, which sits globally side by side with other great VFX hubs around the world."

Richard Stammers, Visual Effects Supervisor - *X-Men: Days of Future Past* & *Dumbo*

Cya soon!

We recommend getting in touch early to ensure you benefit from everything Australia can offer.

Co-productions Producer Offset Talent

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Images: *Thor: Ragnarok* © Marvel Studios, *Animals* © Closer Productions, *Slam* © Slam Film Productions, *Aquaman* © Warner Bros. Pictures/DC Comics, *The Lego Batman Movie* © Warner Bros. Pictures/DC Comics

Australia

Locations, Talent, Post/VFX and Co-producing Partners

Working with Australia means you can draw on some of the world's best talent, crews, locations, sound stages and post, digital and visual effects (PDV) studios.

Australia offers globally competitive incentives for local and international productions.



G'Day!

We want to make working with Australia easy, so to get you started here is a quick summary of the opportunities available to you.

Federal incentives

The Australian Federal Government offers three screen incentives (offsets) and a merit-assessed grant:

- The **Producer Offset** for Australian productions and Official Co-productions. Administered by Screen Australia.
- The **Location Offset** and the **Location Incentive** (grant) for international productions wanting to film in Australia. Administered by the Department of Communications and the Arts.
- The **PDV Offset** for productions wishing to complete post, digital and visual effects in Australia. Administered by the Department of Communications and the Arts.

One federal offset can be accessed per production.

State incentives

Australia has six states and two territories, and most offer funding and incentives to attract productions to be made in their jurisdictions. Productions can access both state and federal incentives.

Direct funding

The Australian producer of an Official Co-production can apply for both development and production funding from Screen Australia.

Guidance

Ausfilm is an Australian industry-government partnership. The organisation is supported by Australia's government screen agencies, Australia's five major sound stages and over 30 post, sound, music and visual effects facilities and production services.

Ausfilm can connect you with crew, creatives, studios and facilities you need, plus help you navigate the various incentives and arrange location scouts.



Official Co-productions and the Producer Offset

Official Co-productions are a means for international producers to collaborate creatively and financially with Australia, as well as providing the opportunity to share skill sets across cultures. Another benefit of Official Co-productions is the potential to access incentives from all the partner countries involved. Screen Australia is the Australian Competent Authority administering the Official Co-production Program.

Official Co-productions with Australia may be able to utilise the Producer Offset, which is a 40% refundable tax offset on the Qualifying Australian Production Expenditure (QAPE) incurred making feature films. A 20% offset is available for other eligible projects, including television and online.

The agreement terms with each partner country varies, however most will generally require the partner to provide at least 20% of the total finance plan and creative contribution.

Beyond the Producer Offset, Official Co-productions can also apply for Screen Australia direct funding. Recent French/Australian Co-production *Slam* received both development and production funding from Screen Australia, as did Irish/Australian Co-production *Animals*.

Partner Countries

- Canada
- China
- France*
- Germany
- South Korea
- Ireland
- Israel
- Italy
- New Zealand*
- Singapore
- South Africa
- United Kingdom

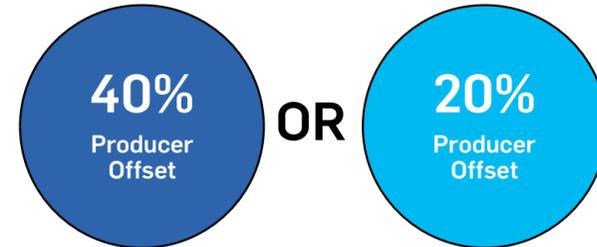
*MOU.

Eligibility

- ✓ Screen Australia and the other partner's Competent Authority approve the project as an Official Co-production under the terms of the treaty or memorandum of understanding. Treaties vary whether they apply to film, television or both.
- ✓ AUD\$500,000 QAPE or AUD\$1M QAPE minimum spends in Australia to be eligible for the Producer Offset depending on the project.

Benefits

- ✓ Australian producer can access the Producer Offset.
- ✓ Production is treated as 'Australian content' for the purpose of TV quotas.
- ✓ Assistance to foreign co-producer entering Australia with visas and equipment.
- ✓ Production is eligible to apply for Screen Australia direct funding.
- ✓ Official Co-productions can potentially access state-based incentives.



The Location Offset and Location Incentive

Australia is well-known for its natural beauty, diverse locations and cosmopolitan cityscapes, but it's our major sound stages and crew that attract international productions to the country.

In recent years *Godzilla vs Kong*, *Aquaman*, *Thor: Ragnarok*, *Alien: Covenant*, *Preacher* (season four) and *Pirates of the Caribbean: Dead Men Tell No Tales* were all filmed in Australia with the help of incentives.

The Location Offset is a refundable tax offset of 16.5% of QAPE and the Location Incentive is a grant of up to 13.5% of the production's QAPE.

Location Offset Eligibility

- ✓ Eligible formats include feature films, telemovies, television series (including documentary, reality, animation) and television mini-series.
- ✓ Must meet minimum QAPE threshold of AUD\$15 million spend in Australia.
- ✓ TV series must also have an average QAPE of at least AUD\$1 million per hour spend in Australia for the finished production.

Location Offset Benefits

- ✓ A refundable tax offset of 16.5% of QAPE.
- ✓ No expenditure cap or sunset.
- ✓ Can be combined with state and territory government film production incentives.

Location Incentive Eligibility

- ✓ Must be eligible for the Location Offset.
- ✓ Productions must meet the same criteria for QAPE as the Location Offset.
- ✓ Must have support from at least one state or territory government (i.e. financial, in-kind).
- ✓ Must commence principal photography, or for animations, commence production of the visual image, in Australia on or after 1 July 2018.
- ✓ Must utilise the services of one or more Australian providers of PDV services.

Location Incentive Benefits

- ✓ A merit-assessed grant of up to 13.5% of the production's QAPE.
- ✓ Can be combined with the 16.5% Location Offset.
- ✓ Can be combined with state and territory government incentives.

