



AUSTRALIA'S 30% LOCATION OFFSET LOWDOWN

Ausfilm.com

Make it in
Australia



AUSTRALIAN SCREEN PRODUCTION INCENTIVE

Location Offset

30%*

*From July 1, 2023
Subject to legislation

Post, Digital and Visual Effects (PDV) Offset

30%

Producer Offset

30%

Non-theatrical features, TV drama, mini-series, documentary, short form animation and non-feature single episode programs

Producer Offset

40%

Theatrical features

What is changing?

- Location Offset increasing to 30%
- Minimum qualifying Australian production (QAPE) increasing from A\$15M to A\$20M and A\$1M to A\$1.5M per hour for television series
- New eligibility requirements:
 - Commitment to training and capacity building
 - Requirement to work with one or more Australian post, digital or VFX companies
 - New reporting requirements



How will the changes to the Location Offset be made?

- The changes will be made through legislative amendments to Division 376 of the Income Tax Assessment Act 1997.

What is the timeframe for the legislative amendments?

- The Australian Government intends to have the amendments to the Income Tax Assessment Act 1997 in place by 30 June 2024.



Why is the Location Offset being increased?

- The objective of the Location Offset is to encourage large-scale screen productions to film in Australia.



When will we know the details about the new eligibility requirements?

- Consultation is being undertaken with key stakeholders about the proposed new eligibility requirements. Similar eligibility requirements currently exist as part of the Location Incentive.



Can I still claim the Location Offset at 16.5%?

- Yes. Up until 30 June 2023
- Productions that commence principal photography after 1 July 2023 will need to meet the new requirements specified in the legislation.



Can I claim 16.5% rebate for expenditure before 1 July 2023 and claim 30 per cent for expenditure on or after 1 July 2023?

- No. The date when principal photography commences will determine what rebate rate you will receive provided all other eligibility criteria is met.



I started principal photography after 1 July 2023, will my pre-production expenditure that occurred before this date still be counted as QAPE?

- Yes. Eligible expenditure can still be counted as qualifying Australian production expenditure.



Can I apply for a Location Offset provisional certificate to get confirmation of eligibility for the Location Offset at 30%?

- If you want to apply prior to the legislation being passed, reach out to the Office of the Arts to discuss.



What if I need to apply
for a final certificate
and the legislation has
not passed?

- It is unlikely that any production will complete production prior to the Legislation passing, however if you believe it will, please contact the Office for the Arts to discuss.



When will Guidelines and Application Forms be available?

- Once the details of the legislation are settled, the Location Offset Rules, Guidelines, Glossary and Application Form will be updated to align with the legislation.
- Updates to arts.gov.au will be made as the legislative process progresses.



Will the Location Offset changes affect my Location Incentive application?

- The Location Incentive will cease accepting applications from 30 June 2023. If you have applied to the Location Incentive, please contact the Office for the Arts.



What if I have already received a Location Incentive Grant?

- If starting principal photography after 1 July the Location Offset will apply.
- The 30% rate and new eligibility requirements will apply to eligible productions that commence principal photography on or after 1 July 2023.
- If your production is receiving the Location Incentive, and commences principal photography before 1 July 2023, the changes will not affect you.



Can I claim the Location Incentive and the Location Offset at the increased rate?

I have recently applied to the Location Incentive. What will happen to my application?

- No. The total support claimed under the Location Incentive, and the Location Offset cannot exceed 30%.
- The date when principal photography commences will determine what rebate you will receive provided all other eligibility criteria are met.
- If you have applied to the Location Incentive, please contact the Office for the Arts.





Make it in
Australia

Q & A

Email

Erin.Stam@Ausfilm.com

with any questions and for support
on location packages and
introductions to Government
agencies and Ausfilm Members