

Alberta launches film industry tax credit program to replace cancelled grant

Tricia Kindleman | January 30, 2020



Filmmaker Kelley Wolfert wants to see the government offer film tax credits similar to British Columbia and the state of Georgia. (Trevor Wilson/CBC)

A new tax credit introduced to replace a grant program cut by the UCP government last year could help Alberta filmmakers tap into the lucrative market of global streaming services, Minister of Economic Development Tanya Fir said Wednesday.

Last October, before the freshly minted government had unveiled its first budget, the grant program established in 2017 by the previous NDP government was cancelled.

Wednesday's announcement helps give the industry a clearer picture of how productions could be funded going forward.

Fir said this tax credit system targets projects with medium to large budgets. It is focused on covering both production and labour cost.

There are two tax credits available, one for 22 per cent tax credit and one for 30 per cent tax. To be eligible for the higher amount, the production must meet a number of eligibility requirements, including that its copyright must be held, at least in part, by an Albertan and there must be a least one Alberta-based producer.

The program is capped at \$10 million per production.

Filmmaker Kelley Wolfert described the current state of the film industry as being "in the middle of a streaming services gold rush."

But he would like to see the Alberta government do more, pointing to the impact in the U.S. state of Georgia when its legislators set up a generous film program.

"All the Marvel movies went there," Wolfert said.

"Studios were built. People got new careers. They might have been in other industries and they were able to transition to create a new career in film and television. And that all happened from a tax incentive that was bold."

Wolfert compared the amount of effort and infrastructure needed to run a full production to remote oil and gas setups, requiring a variety of skills — cooks, electricians, carpenters and more — to function over the course of the production.

He said Alberta has an excellent track record in the industry and increased support from government will bring more business here.

"They want to go where there's excellent crews and that's Alberta," Wolfert said.

"Alberta is one of the most awarded jurisdictions in Canada for Emmys and Oscars. So, when you look at everything that you would need to draw somebody here to film. We have the locations. We have skilled labour. We just don't have a tax credit that incentivizes producers to come here."

Fir said the huge growth of streaming services, and their content needs, provides new opportunities.

"We were really trying to find a good balance and mix in developing this," Fir said.

"We want to attract the Amazons and the Netflix and the Disney Plus and the big-budget films that are going to do an amazing job of showcasing Alberta."

The Alberta Made Production grant will continue to be available to smaller budget Alberta productions up to a maximum of \$125,000.

Fir said the \$45 million from the previous grant program will now be applied to the tax credit system.

[Applications](#) are now being accepted for the tax credit program.

Productions that began principal photography between March 1, 2019, and January 27, 2020, are eligible to apply to the program until March 31, 2021, the government website said. For all other productions, the application must be submitted before principal photography has started.

The province outlined the types of productions that would not qualify for the tax credits. It included live sports, awards shows, talk shows, reality shows or any program "contrary to public policy," as defined by the minister.

Government spokesperson Justin Brattinga said in an email that the public policy clause appears in other provincial film tax credit programs "and may include productions which are capable of inciting hatred against an identifiable group, including a section of the public distinguished by colour, race, religion, gender, sexual orientation or ethnic origin."

"It may also include productions whose dominant characteristic is undue exploitation of sex, violence, or of sex and one or more of cruelty or violence," he wrote in an email. ■