

Production Alert

UPCOMING TAX CREDIT APPLICATION WINDOW Indie & Non-Indie Feature Films January 24-26, 2021

APPLICATION WINDOW

1. Non-Independent Films (Non-Transferable Tax Credit)

Credit will apply to a maximum qualified spend of \$100 million.

2. Independent Films (Transferable Tax Credit)

Credit will apply to a maximum qualified spend of \$10 million.

An "Independent Film" means a film with a minimum production budget of \$1,000,000 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. While there is no budget cap, credits apply only to the first \$10,000,000 of qualified expenditures. An independent film must have a running time of at least 75 minutes and be intended for commercial distribution to a motion picture theater, home video, television or via the internet. Independent films may be made-for-television movies, but cannot be mini-series or TV series, due to the running time requirement.

FEATURE FILMS (INDIES & NON-INDIES) APPLICATION WINDOW

- Application: January 24-26, 2022
 - Phase II: January 27-31, 2022
 - Approval Date: February 28, 2022
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JOBS RATIO RANKING

Applications are ranked within categories (Indie Films vs. other Indie Films) based upon their Jobs Ratio score.

For historical reference only, below are the lowest adjusted jobs ratios for the projects that received a reservation of credits during the August 23, 2021 credit allocation window for indie and non-indie feature film projects:

Independent Feature Films > \$10m: **3.18316**

Independent Feature Films ≤ \$10m: **3.21825**

Non-Independent Feature Film: **3.92963**

The jobs ratio numbers quoted above are based on applications received during prior application periods. These numbers should not be relied upon as a guaranteed jobs ratio minimum in future application periods. Applicants are measured against their specific applicant pool and as such, each jobs ratio minimum is specific to those types of productions during a specific allocation period.

Be sure to download the [Jobs Ratio Calculator](#). This tool is available to assist you in determining your Jobs Ratio.

ONLINE APPLICATION

The portal will go live on Monday, January 24, 2022 at 8am and close on Wednesday, January 26, 2022 at 5pm.

Applicants should begin to prepare their budget and materials early. You will need a completed and tagged budget in order to fill out the application. Projects that rank in the top 200% (double the number of projects for which funding is available) will be notified by January 27, 2022 to submit Phase II documents. Applicants should prepare all materials listed in the Checklist as you will be required to submit these within three days if your application is selected.

The **Application Checklist and Tips** are located on the [Application](#) page in the tax credit program section of the CFC website. All Phase II applicants will need to fill out and submit the [Fringe Matrix](#) form which details the fringe percentages in their submitted budgets. All budgeted aggregate fringes must correspond to the amounts in the Fringe Matrix; overstatement of fringe amounts is not permissible. Be sure to carefully read the [Budget/Tagging Instructions](#) so that you can accurately tag your budget. Pay close attention to box rentals and car allowances. The methodology and tagging to determine uplifts and bonus points have been modified, for both independent and non-independent categories, from the methodology utilized in Program 2.0.

[Non-Independent Application Checklist](#)

[Independent Application Checklist](#)

Qualified expenditure budgets should reflect qualified expenditures on or after February 28, 2022 as Credit Allocation Letters will be issued on February 28.