

Indiana Film

Film and Media Tax Credit Overview

The Indiana Film and Media Tax Credit is a non-transferable, non-refundable tax credit available on an application basis and is evaluated by the Indiana Economic Development Corp. Below, please find commonly qualified productions and expenditures for our program. This list is non-exhaustive, and if you have questions, please email Indianafilm@iedc.in.gov. Additionally, to learn more about the program or open a project for film and media tax credits, please email IndianaFilm@iedc.in.gov.

Qualified Productions

- ▶ A feature length film, including an independent or studio production.
- ▶ A documentary.
- ▶ A television episodic series, program or feature.
- ▶ A digital media production that is intended for reasonable commercial exploitation.
- ▶ A music video, video game or game show.
- ▶ Educational media production, if the educational media production is not produced primarily for industrial or corporate purposes.
- ▶ Animation or music recorded in Indiana fixed on any delivery system.

Qualified Expenditures

- ▶ Acquisition costs for locations, facilities, offices, and equipment, including studios and other infrastructure within Indiana.
- ▶ Acquisition costs made within Indiana for physical assets to be utilized in the production of the qualified production (e.g. props, costumes, etc.)
- ▶ Indiana-based expenditures for materials used to make and operate sets, production props, wardrobes, special effects and accessories.
 - This may include, but is not limited to generators, electric stands, cables, wires and heating and air conditioning equipment on set.
- ▶ Indiana-based expenditures for lighting equipment, including gels, bulbs and lamps.
- ▶ Indiana-based expenditures for photography, sound synchronization, film processing, digital imaging, transfers of film to a digital format, lighting and related services.
 - Including cranes booms, jibs, camera cars and picture cars.
- ▶ Indiana-based expenditures for editing, visual effects, sound mixing, composing, animation, music supervision and related services.
- ▶ Wages and salaries.
 - Up to 20% of the sum expended on above the line labor, with an above the line project cap of \$3,000,000 per project.
 - Up to 15% of the total sum expended on out of state below the line labor.
 - Up to 25% of the total sum expended on in-state below the line labor.
- ▶ Expenditures for skilled workforce training of crew members who are qualified Indiana residents.
 - These expenditures may not be receiving any other state benefit, including but not limited to Skills Enhancement Funds or Next Level Jobs funds
- ▶ The payment of student internships, if the student who receives the internship payment is enrolled at a state educational institution (as defined in IC 21-7-13-32).
- ▶ Indiana-based expenditures for camera equipment, supplies, and accessories

Non-qualified Expenditures

- ▶ Expenditures for tangible personal property acquired in a transaction outside Indiana, even if the property is subject to the use tax under IC 6-2.5-3.
- ▶ The payment of penalties or fines.
- ▶ The performance of services or the conveyance of property in an in-kind exchange.
- ▶ Any production expenditures for tangible personal property or services that are acquired from a business (or an agent of a business) that does not maintain a physical presence in Indiana.
- ▶ Expenditures for cellular telephone service.
- ▶ Marketing and advertising costs.
- ▶ Any expenses that are incurred after the qualified media production becomes commercially available to the public.
- ▶ Airfare travel expenditures for private or chartered aircraft.
- ▶ Acquisition costs of vehicles that are not to be directly used as part of the qualified media production.
- ▶ Any and all insurance, legal/business related expenses.

Applicant / Application qualifications

If prior to the application submission the IEDC needs to complete a non-disclosure agreement, please notify Indianafilm@iedc.in.gov.

- ▶ A project budget minimum of \$300,000.00 or a project's syndication/distribution agreement being in-place at the time of production.
- ▶ Applicant name: The applicant entity must be registered to do business with the Indiana Secretary of State.
 - Only the applicant entity's expenditures are eligible.
- ▶ Indiana address and Telephone number for the Indiana-based production office or qualified production facility.
- ▶ Contact name and telephone number.
- ▶ Working project name.
- ▶ Project summary/synopsis
- ▶ Total Production budget.
 - Total budgeted eligible production expenses.
- ▶ Number of employments of cast and crew who reside in Indiana and have an Indiana tax liability.
- ▶ Script of the proposed project.
- ▶ Creative elements list that includes the principal cast and crew, the producer, and director.
- ▶ Documentation of financial ability to undertake and complete the project.
- ▶ Signed (electronic) application form.

Tax Credit Awardee Requirements

- ▶ Begin principal filming within 180 days of tax credit offer's acceptance.
- ▶ Include "Indiana Film" branding in distribution/marketing as subject to approval by the IEDC.

Non-qualified Productions

- ▶ Television coverage of athletic events, news or current events.
- ▶ Programs that include weather reports or financial reports as a material portion of the program.
- ▶ Talk shows in which a host interviews or talks with guests.
- ▶ Awards shows or gala productions.
- ▶ Any production that is intended to solicit donations.
- ▶ Any political advertising messages.
- ▶ Any production primarily for industrial or corporate purposes.
- ▶ A production in any medium that is obscene (under the standard set forth in IC 35-49-2-1)