

Ontario Production Services Tax Credit (2013 and later tax years)

Protected B when completed

Corporation's name	Business Number	Year	Month	Day
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- Use this schedule to claim an Ontario production services tax credit (OPSTC) under section 92 of the *Taxation Act, 2007* (Ontario). Complete a separate Schedule 558 for each eligible production.
- The OPSTC is a refundable tax credit that is equal to 25% of the qualifying production expenditure (QPE) incurred after June 30, 2009, by a qualifying corporation in a tax year for eligible productions.
- The criteria for a corporation to be eligible for the OPSTC include the eligibility requirements in Part 3 of this schedule.
- A qualifying corporation's OPSTC is nil for an eligible production if it claims the Ontario film and television tax credit for that same production for any tax year.
- Before claiming an OPSTC, a qualifying corporation must obtain a Certificate of Eligibility from the Ontario Media Development Corporation (OMDC) for each eligible production. Enter the certificate information for the production in Part 2 of this schedule.
- The OPSTC is considered government assistance under paragraph 12(1)(x) of the federal *Income Tax Act* and must either be included in income in the tax year the credit is received or deducted from the capital cost of the property. The OPSTC is not considered assistance under subsection 33(4) of Ontario Regulation 37/09 to the *Taxation Act, 2007* (Ontario) for the purposes of calculating the credit itself.
- To claim the OPSTC, include the following with the *T2 Corporation Income Tax Return*:
 - a completed copy of this schedule for each eligible production; and
 - a certificate of eligibility (or a copy) issued by the OMDC.

Part 1 – Contact information (please print)

110 Name of person to contact for more information	120 Telephone number including area code
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Part 2 – Identifying the eligible production

200 Certificate of eligibility number	
210 Production title	
220 Date principal photography began	Year Month Day
230 Estimated QPE	240 Estimated OPSTC for the production

Part 3 – Eligibility

- Did the primary activities of the corporation in the tax year consist of carrying on a film or video production business or a film or video production services business, through a permanent establishment in Ontario? **300** 1 Yes 2 No
- Was the corporation exempt from tax for the tax year under Part III of the *Taxation Act, 2007* (Ontario) or Part I of the federal *Income Tax Act*? **310** 1 Yes 2 No
- Was the corporation, at any time in the tax year, controlled directly or indirectly, in any way, by one or more persons, all or part of whose taxable income was exempt from tax under Part I of the federal *Income Tax Act*? **320** 1 Yes 2 No
- Was the corporation, at any time in the tax year, a prescribed labour-sponsored venture capital corporation? **330** 1 Yes 2 No
- Have you claimed an Ontario film and television tax credit for the production identified in Part 2? **400** 1 Yes 2 No

If you answered **no** to question 1 or **yes** to question 2, 3, 4, or 5 you are **not eligible** for the OPSTC.

Part 4 – Ontario production expenditure incurred after June 30, 2009

Eligible wage expenditure paid to Ontario-based individuals, for services rendered in Ontario, that is directly attributable to the eligible production **630** _____ A

Add:
 Eligible service contract expenditure, for services rendered in Ontario, that is directly attributable to the eligible production and paid to:

– Ontario-based individuals **632** _____ a

– other taxable Canadian corporations (for their Ontario-based employees) **634** _____ b

– other taxable Canadian corporations (solely owned by an Ontario-based individual) .. **636** _____ c

– partnerships (for their Ontario-based members or employees) **638** _____ d

Subtotal (total of amounts a to d) **640** _____ B

Eligible wage and service contract expenditures incurred by a parent corporation (a taxable Canadian corporation) and transferred to its wholly-owned subsidiary (the corporation) under a reimbursement agreement **645** _____ C

Complete lines 646 and 647 if there is an entry on line 645:

Name of parent corporation **646** _____

Business number of parent corporation **647** _____

Eligible tangible property expenditure directly attributable to the eligible production **650** _____ D
 (see subsection 92(5.6) of the *Taxation Act, 2007* (Ontario))

Ontario production expenditure for the tax year (total of amounts A to D) **651** _____ E

Add: Ontario production expenditure for all previous tax years **652** _____ F

Ontario production expenditure (amount E plus amount F) **655** _____ G

Part 5 – Assistance attributable to the expenditure incurred after June 30, 2009

Assistance received for the Ontario production expenditure included in amount G (include amounts received, entitled to be received, or reasonably expected to be received by the corporation or any other person or partnership) **657** _____ 1

Deduct: Amounts repaid under a legal obligation. **658** _____ 2

Subtotal (amount 1 **minus** amount 2) (if negative, enter "0") **660** _____ e

Deduct: Amounts deemed to have been paid/received, as applicable, for the eligible production and included in amount G:

Federal tax credits* **662** _____ 3

Ontario refundable tax credits** **664** _____ 4

Subtotal (amount 3 **plus** amount 4) **665** _____ f

Net assistance (amount e **minus** amount f) (if negative, enter "0") **670** _____ H

* Include only the following federal tax credits: Canadian film or video production tax credit, investment tax credit, and investment tax credit of cooperative corporation.

** Include only the following Ontario refundable tax credits: Ontario production services tax credit, Ontario book publishing tax credit, Ontario computer animation and special effects tax credit, and Ontario sound recording tax credit.

Part 6 – Qualifying production expenditure (QPE) incurred after June 30, 2009

Ontario production expenditure (amount G in Part 4)	_____	I
Deduct:		
Net assistance (amount H in Part 5)	_____ g	
QPE from all previous tax years	675 _____ h	
Eligible wage and service contract expenditures incurred by the parent corporation (a taxable Canadian corporation) and transferred to its wholly-owned subsidiary corporation under a reimbursement agreement	680 _____ i	
Subtotal (total of amounts g to i)	===== ▶ 685 _____	J
Qualifying production expenditure for the tax year (amount I minus amount J) (if negative, enter "0")	695 _____	K

Part 7 – Ontario production services tax credit

QPE for the tax year (amount K in Part 6) incurred after June 30, 2009	715 _____	× 25% =	_____ L
Ontario production services tax credit (Enter amount L)	720 _____		M

Enter amount M on line 460 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 558, add the amounts M from all the schedules and enter the total on line 460 of Schedule 5.