



Ontario Film and Television Tax Credit (2017 and later tax years)

Corporation's name	Business number	Tax year-end Year Month Day
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- Use this schedule to claim an Ontario film and television tax credit (OFTTC) under section 91 of the *Taxation Act, 2007* (Ontario). Complete a separate Schedule 556 for each eligible Ontario production.
- The OFTTC is a refundable tax credit based upon qualifying labour expenditures incurred by a qualifying production company in a tax year for eligible Ontario productions.
- If you claim, or have claimed, the Ontario production services tax credit for a production for any tax year, the OFTTC you are entitled to is nil for that same eligible Ontario production.
- Before claiming an OFTTC, a qualifying production company must apply online to the Ontario Media Development Corporation (OMDC) for a certificate of eligibility. If the production is eligible, the OMDC will issue a certificate certifying that the production is an eligible Ontario production and certifying the estimated amount of the corporation's OFTTC for the production. Enter the certificate information for this production in Part 2 of this schedule.
- To claim the OFTRC, you must meet the eligibility requirements in Part 3 of this schedule.
- To claim the OFTTC, include a completed copy of this schedule for each production with your *T2 Corporation Income Tax Return* for the tax year as well as a copy of the certificate of eligibility issued by the OMDC.

Part 1 – Contact information (please print)

110 Name of contact person	120 Telephone number
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Part 2 – Identifying the eligible Ontario production

200 Certificate of eligibility number					
205 Production title					
210 Date principal photography commenced	Year	Month	Day	215 Production commencement time	Year Month Day
Is this a first-time production? 220 <input type="checkbox"/> Yes <input type="checkbox"/> No					
Did the production receive a regional bonus? 225 <input type="checkbox"/> Yes <input type="checkbox"/> No					
Was the production a treaty co-production? 230 <input type="checkbox"/> Yes <input type="checkbox"/> No					
Was the production an interprovincial co-production? 235 <input type="checkbox"/> Yes <input type="checkbox"/> No					
240 Total estimated production costs	245 Estimated qualifying Ontario labour expenditure			250 Estimated OFTTC	

Part 3 - Eligibility

1. Was the corporation a Canadian-controlled corporation throughout the tax year as determined under sections 26 to 28 of the *Investment Canada Act*? **300** ☐ Yes ☐ No
2. Were the activities of the corporation in the tax year primarily the carrying on of a Canadian film or video production business through a permanent establishment in Canada? **310** ☐ Yes ☐ No
3. Did the corporation have a permanent establishment in Ontario throughout the tax year? **320** ☐ Yes ☐ No
4. 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*? **330** ☐ Yes ☐ No
5. Was the corporation, at any time in the tax year, controlled directly or indirectly, in any manner, 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*, Part II of the *Corporations Tax Act* (Ontario), or Part III of the *Taxation Act, 2007* (Ontario)? **340** ☐ Yes ☐ No
6. Was the corporation, at any time in the tax year, a prescribed labour-sponsored venture capital corporation under 6701 of the *Federal Income Tax Regulations*? **350** ☐ Yes ☐ No

If you answered **no** to question 1, 2, or 3, or **yes** to question 4, 5, or 6, **you are not eligible** for the OFTTC.

Part 4 – Ontario labour expenditures for the eligible Ontario production for the tax year

Have you claimed an Ontario production services tax credit for the same production identified in Part 2? **400** ☐ Yes ☐ No

If you answered **yes** to this question, the OFTTC for this production **is nil**.

Salaries and wages paid to Ontario-based individuals that are directly attributable to the eligible Ontario production **405** _____

Remuneration that is directly attributable to the eligible Ontario production paid to:

- Ontario-based individuals **410** _____
- other taxable Canadian corporations (for their Ontario-based employees) **420** _____
- other taxable Canadian corporations (solely owned by an Ontario-based individual) .. **430** _____
- partnerships carrying on business in Canada (for their Ontario-based members or employees) **440** _____

Amounts paid to a parent corporation for Ontario labour expenditures incurred by it for the subsidiary wholly-owned corporation under a reimbursement agreement **450** _____

Subtotal (total of lines 410 to 450) **460** _____

Complete lines 470 and 480 if there is an entry on line 450:

Name of parent corporation **470** _____

Business Number of parent corporation **480** _____

Ontario labour expenditures for the eligible Ontario production for the tax year (line 405 plus line 460) **490** _____

Part 5 - Assistance

Assistance for the cost of the eligible Ontario production that the qualifying production company, or other person, or partnership has received, is entitled to receive, or may reasonably expect to receive:

Amount of assistance directly attributable to and that has not caused a reduction in the Ontario labour expenditures for the eligible Ontario production **500** _____

Amount of assistance not directly attributable to and that has not caused a reduction in the Ontario labour expenditures for the eligible Ontario production **510** _____

Cost of the eligible Ontario production **520** _____

Line 510 _____ × $\frac{\text{Line 640 of part 6 minus line 660 of part 6}}{\text{Amount from line 520}}$ = **530** _____

Subtotal (line 500 **plus** line 530) **540** _____

Amounts repaid under a legal obligation **545** _____

Certain amounts of assistance deemed to have been paid/received, as applicable, for the eligible production and included on line 540:

Ontario refundable tax credits * **550** _____

Federal tax credits ** **555** _____

Subtotal (total of lines 545, 550 and 555) **A**

Net assistance (line 540 **minus** amount A) **560** _____

* Include only the following Ontario refundable tax credits: Ontario Book Publishing Tax Credit, Ontario Computer Animation and Special Effects Tax Credit, Ontario Sound Recording Tax Credit, and Ontario Film and Television Tax Credit.

** Include only the following Federal tax credits: Film or Video Production Services Tax Credit, Investment tax credit, and Investment tax credit of cooperative corporation.

Part 6 – Qualifying labour expenditures (QLE) for the tax year

These amounts should be determined without reference to any equity investment held by a person prescribed under subsection 1106(10) of the Federal Income Tax Regulations.

Ontario labour expenditures for the eligible Ontario production for the tax year (line 490 from Part 4) **B**

Ontario labour expenditures for the eligible Ontario production for all previous tax years (total of lines 490 from previous years) **610** _____

QLE for the eligible Ontario production for all previous tax years (total of lines 675 from previous years) **620** _____

Subtotal (line 610 **minus** line 620) **630** _____

Subtotal (amount B **plus** line 630) **640** _____

Net assistance (line 560 from Part 5) **C**

Ontario labour expenditures transferred under a reimbursement agreement from the parent corporation to its subsidiary wholly-owned corporation **660** _____

Subtotal (amount C **plus** line 660) **670** _____

QLE for the tax year (line 640 **minus** line 670) (if negative, enter "0") **675** _____

Determine the portion of QLE from line 675 that relates to expenditures incurred before January 1, 2008 (pre-2008), and the portion that relates to expenditures incurred after December 31, 2007 (post-2007). Enter the respective amounts on lines 680 and 685 below.

Pre-2008 portion of QLE for the tax year **680** _____

Post-2007 portion of QLE for the tax year **685** _____

Part 7 – Tax credit calculation for a first-time production

Complete this part if the production is a first-time production and the QLE is more than \$50,000 at the time the production is completed or the QLE is \$50,000 or less and no OFTTC is being claimed or has been claimed under Part 8. Otherwise, complete Part 8 or 9, as applicable.

Basic amount	240,000	D	
QLE for the eligible Ontario production for all previous tax years (line 620 from Part 6)	700		
Subtotal (amount D minus line 700) (if negative, enter "0")		E	
Pre-2008 portion of QLE for the tax year (line 680 from Part 6)	705		
The lesser of amount E and line 705	710		
Pre-2008 QLE at the 30% rate (line 705 minus line 710)		x 30 % =	715
Pre-2008 QLE at the 40% rate (line 710)		x 40 % =	720
Post-2007 portion of QLE for the tax year (Line 685 from Part 6)	721		
Amount E		F	
Line 710		G	
Subtotal (amount F minus amount G) (if negative, enter "0")		H	
The lesser of line 721 and the amount H	722		
Post-2007 QLE at the 35% rate (line 721 minus line 722)		x 35 % =	723
Post-2007 QLE at the 40% rate (line 722)		x 40 % =	724
If the first-time production is a regional Ontario production, you can claim the additional credit below:			
QLE for the tax year (line 675 from Part 6)		x 10 % =	750
Ontario film and television tax credit for a first-time production (total of lines 715, 720, 723, 724 and 750)			755

Enter the amount on line 755 on line 458 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 556, add the total of all amounts on line 755, all of the amounts on line 815 from Part 8, and all of the amounts on line 915 from Part 9 on all of the schedules and enter the result on line 458 of Schedule 5.

Part 8 – Tax credit calculation for a small first-time production

Complete this part if the production is a first-time production, the QLE is \$50,000 or less at the time the production is completed, and no OFTTC for this production has been claimed or is being claimed in Part 7. If this is not a first-time production, complete Part 9 instead.

QLE for the tax year (line 675 from Part 6) (cannot be more than \$50,000)	800	
Maximum eligible credit for the small first-time production *	805	
Ontario film and television tax credit claimed and allowed in previous tax years for the eligible Ontario production	810	
Subtotal (line 805 less line 810) (if negative, enter "0")		I
Ontario film and television tax credit for a small first-time production (enter line 800 or amount I, whichever is less)		815

Enter the amount on line 815 on line 458 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 556, add the total of all amounts on line 815, all of the amounts on line 755 from Part 7, and all of the amounts on line 915 from Part 9 on all of the schedules and enter the result on line 458 of Schedule 5.

* If the small first-time production is a regional Ontario production, enter \$20,000 on line 805; otherwise, enter \$15,000.

Part 9 – Tax credit calculation for an eligible Ontario production other than a first-time production

Complete this part if the production is not a first-time production.

Pre-2008 portion of QLE for the tax year (line 680 in Part 6) x 30% = **900** _____
Post-2007 portion of QLE for the tax year (line 685 in Part 6) x 35% = **903** _____

If the production is a regional Ontario production, you can claim the additional credit below:

QLE for the tax year (line 675 in Part 6) x 10% = **910** _____

Ontario film and television tax credit for an eligible Ontario production other than a first-time production (total of lines 900, 903 and 910) **915** _____

Enter the amount on line 915 on line 458 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 556, add the total of all amounts on line 915, all of the amounts on line 755 from Part 7, and all of the amounts on line 815 from Part 8 on all of the schedules and enter the result on line 458 of Schedule 5.