

British Columbia Interactive Digital Media Tax Credit (2017 and later tax years)

Corporation's name	Business number	Tax year-end		
		Year	Month	Day

- Use this schedule to claim a British Columbia interactive digital media tax credit (BCIDMTC) under Part 10 of the *Income Tax Act* (British Columbia).
- The BCIDMTC program provides a refundable 17.5% tax credit on net eligible salary and wages incurred after August 31, 2010, and before September 1, 2018, by eligible corporations to develop interactive digital media products in British Columbia.
- A corporation cannot claim the BCIDMTC if it has claimed a British Columbia scientific research and experimental development tax credit for the tax year.
- A corporation is eligible for the BCIDMTC if it meets all of the following criteria:
 - it is registered with the British Columbia Ministry of Finance for the tax year;
 - it has a permanent establishment in British Columbia at any time during the tax year;
 - it is a taxable Canadian corporation throughout the tax year; and
 - either of the following applies:
 - (i) the corporation has a tax year that ends after February 21, 2017, and has eligible salary and wages for the tax year of \$2,000,000* or more; or
 - (ii) the corporation has eligible salary and wages for the tax year of more than \$100,000* and less than \$2,000,000*, and either of the following applies:
 - (A) the corporation's principal business in the tax year is the development of interactive digital media products; or
 - (B) all or substantially all of the corporation's business in the tax year consists of one or both of the following: the development of interactive digital media products, or the provision of eligible activities to a corporation that has a permanent establishment in British Columbia and either has as its principal business the development of interactive digital media products, or has eligible salary and wages of equal to or greater than \$2,000,000* in the tax year.
- An eligible business corporation registered under Part 2 of the British Columbia *Small Business Venture Capital Act* (British Columbia) can claim the BCIDMTC for tax years ending after February 21, 2017, if all the eligibility criteria listed above are met.
- To claim the BCIDMTC, file a completed copy of this schedule within 18 months of the end of the tax year in which the eligible salary and wages were incurred. Late-filed tax credit forms will not be processed.
- Include a completed copy of this schedule with the *T2 Corporation Income Tax Return* for the tax year.

* If the tax year is less than 365 days, the \$100,000 and \$2,000,000 thresholds are prorated based on the number of days in the tax year divided by 365.

Freedom of Information and Protection of Privacy Act (FOIPPA)

The personal information on this form is collected for the purpose of administering the *Income Tax Act* (British Columbia) under the authority of paragraph 26(a) of the FOIPPA. Questions about the collection or use of this information can be directed to the Manager, Intergovernmental Relations, PO Box 9444 Stn Prov Govt, Victoria BC V8W 9W8. (Telephone: Victoria at 250-387-3332 or toll-free at 1-877-387-3332 and ask to be re-directed). Email: ITBTaxQuestions@gov.bc.ca

Part 1 – Contact information

151 Name of person to contact for more information	153 Telephone number including area code
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Part 2 – Registration

Has the corporation applied to the British Columbia Ministry of Finance for a registered number so it can claim a British Columbia interactive digital media tax credit? **210** 1 Yes 2 No

If you answered **yes** to the question at line 210, please give the registration number **215** _____

If you do not register the corporation, **you are not eligible** for the BCIDMTC.

Part 3 – Eligibility

1. Has the corporation claimed a British Columbia scientific research and experimental development tax credit for the tax year? **310** 1 Yes 2 No
- Was the corporation at any time in the tax year:
2. exempt from tax under section 27 of the *Income Tax Act* (British Columbia)? **315** 1 Yes 2 No
3. exempt from tax under Part I of the *Income Tax Act* (federal Act)? **320** 1 Yes 2 No
4. a prescribed labour-sponsored venture capital corporation for the purpose of section 127.4 of the federal Act? **325** 1 Yes 2 No
5. a corporation that has an employee share ownership plan registered under section 2 of the *Employee Investment Act*? **330** 1 Yes 2 No
6. registered as an employee venture capital corporation under section 8 of the *Employee Investment Act*? **335** 1 Yes 2 No
7. a **small business venture capital corporation** registered under section 3 of the *Small Business Venture Capital Act*? **340** 1 Yes 2 No
8. an **eligible business corporation** registered under Part 2 of the *Small Business Venture Capital Act*, and the tax year ends before February 22, 2017? **345** 1 Yes 2 No
9. controlled directly or indirectly in any way by one or more corporations described in questions 2 to 8? **350** 1 Yes 2 No
10. a personal services business as defined in subsection 125(7) of the federal Act? **355** 1 Yes 2 No
- If you answered **yes** to any of the above questions, **you are not eligible** for the BCIDMTC.

Part 4 – Eligible salary and wages

Eligible salary and wages* **400** _____ A

Designated assistance** **450** _____ B

Net eligible salary and wages (amount A **minus** amount B) (if negative, enter "0") **490** _____ C

* **Salary and wages** has the same meaning as "salary or wages" in section 248 of the federal Act. Eligible salary and wages includes amounts that:

- a) are directly attributable to eligible activities;
- b) are incurred:
 - by the corporation in the tax year; and
 - after August 31, 2010, and before September 1, 2018;
- c) are paid to an individual who was resident in British Columbia at the end of December 31 of the year before the end of the tax year for which a tax credit is claimed; and
- d) are either of the following:
 - included in the cost of a property to the corporation in the tax year or, in the case of depreciable property, the capital cost to the corporation in the tax year; or
 - deductible as an outlay or expense in calculating the income of the corporation for the tax year;

Eligible salary and wages do not include amounts listed under subsection 134(1) of the *Income Tax Act* (British Columbia).

** Designated assistance is the total of all amounts that would be included under paragraph 12(1)(x) of the federal Act in calculating the income of the corporation for the tax year, if that paragraph were read without reference to subparagraphs (v) to (vii) of that paragraph, and that can reasonably be considered to be for eligible salary and wages. Designated assistance does not include:

- a) a prescribed amount. No amount has been designated as prescribed;
- b) an amount considered to have been paid under section 135 of the *Income Tax Act* (British Columbia); or
- c) an amount deducted under subsection 127(5) or 127(6) of the federal Act.

Part 5 – British Columbia interactive digital media tax credit calculation

British Columbia interactive digital media tax credit: amount C from Part 4 _____ × 17.5% = = _____ ^D

Enter amount D on line 680 of Schedule 5, *Tax Calculation Supplementary – Corporations*.

See the privacy notice on your return.