



**ONTARIO FILM AND TELEVISION TAX CREDIT
(2009 and later tax years)**

Name of corporation	Business Number	Year	Tax year-end 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.
- The criteria for a corporation to be eligible for the OFTTC include the eligibility requirements in Part 3 of this schedule.
- A qualifying corporation's OFTTC is nil for an eligible Ontario production if it claims the Ontario production services tax credit for that same production for any tax year.
- Before claiming an OFTTC, a qualifying production company must first complete and sign the Ontario Media Development Corporation (OMDC) application for an OFTTC and send it to the OMDC. 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 OFTTC, include the following with the *T2 Corporation Income Tax Return* for the tax year:
 - a completed copy of this schedule for each production; and
 - the original or certified copy of the certificate of eligibility 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 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
First-time production	220	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>				
Receives regional bonus	225	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>				
Treaty co-production	230	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>				
Interprovincial co-production	235	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>				
240 Total estimated production costs	245 Estimated qualifying Ontario labour expenditure	250 Estimated OFTTC for the production					

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** 1 Yes 2 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** 1 Yes 2 No
3. Did the corporation have a permanent establishment in Ontario throughout the tax year? **320** 1 Yes 2 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** 1 Yes 2 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** 1 Yes 2 No
6. Was the corporation, at any time in the tax year, a prescribed labour-sponsored venture capital corporation? **350** 1 Yes 2 No

If you answered **no** to question 1, 2, or 3, or **yes** to question 4, 5, or 6, then 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** 1 Yes 2 No

If you answered **yes** to this question, then you are **not eligible** for the OFTTC for this production.

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

Add:

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

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

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

Subtotal (total of amounts B to F) _____ ► **460** _____ G

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 (amount A plus amount G) **490** _____ H

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 _____	I
Amount of assistance not directly attributable to Ontario labour expenditures for the eligible Ontario production	510 _____	J
Cost of the eligible Ontario production	520 _____	K
Amount J _____ × $\frac{\text{amount T in Part 6 minus amount V in Part 6}}{\text{amount K}}$ =	530 _____	L
Subtotal (amount I plus amount L)	540 _____	M
Deduct:		
Amounts repaid under a legal obligation	545 _____	1
Certain amounts deemed to have been paid/received, as applicable, for the eligible production and included in amount M:		
Ontario refundable tax credits *	550 _____	2
Federal tax credits **	555 _____	3
Subtotal (total of amounts 1 to 3)	_____	N
Net assistance (amount M minus amount N)	560 _____	O

* 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 for the tax year

Ontario labour expenditures for the eligible Ontario production for the tax year (amount H in Part 4)	_____	P
Add:		
Ontario labour expenditures for the eligible Ontario production for all previous tax years ...	610 _____	Q
Deduct: Qualifying labour expenditures (QLE) for the eligible Ontario production for all previous tax years	620 _____	R
Subtotal (amount Q minus amount R)	_____	S
Subtotal (amount P plus amount S)	640 _____	T
Deduct:		
Net assistance (amount O in Part 5)	_____	U
Add: Ontario labour expenditures that the corporation (parent) transferred under a reimbursement agreement to a subsidiary wholly-owned corporation	660 _____	V
Subtotal (amount U plus amount V)	_____	W
Qualifying labour expenditures for the tax year (amount T minus amount W) (if negative, enter "0")	675 _____	X

Determine the portion of QLE from amount X 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 Y and Z below.

Pre-2008 portion of QLE for the tax year	680 _____	Y
Post-2007 portion of QLE for the tax year	685 _____	Z

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		AA
Deduct: QLE for the eligible Ontario production for all previous tax years (amount R in Part 6)	700		BB
Subtotal (amount AA minus amount BB) (if negative, enter "0")			CC
Pre-2008 portion of QLE for the tax year (amount Y in Part 6)	705		DD
The lesser of amount CC and amount DD	710		EE
Pre-2008 QLE at the 30% rate (amount DD minus amount EE)		× 30% =	715 FF
Pre-2008 QLE at the 40% rate (amount EE)		× 40% =	720 GG
Post-2007 portion of QLE for the tax year (amount Z in Part 6)	721		HH
Amount CC			II
Deduct: Amount EE			JJ
Subtotal (amount II minus amount JJ) (if negative, enter "0")			KK
The lesser of amount HH and amount KK	722		LL
Post-2007 QLE at the 35% rate (amount HH minus amount LL)		× 35% =	723 MM
Post-2007 QLE at the 40% rate (amount LL)		× 40% =	724 NN
If the first-time production is a regional Ontario production, you can claim the additional credit below:			
QLE for the tax year (amount X in Part 6)		× 10% =	750 OO
Ontario film and television tax credit for a first-time production (total of amounts FF, GG, MM, NN, and OO)	755		PP

Enter amount PP on line 458 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one of these schedules, add the total of all PP amounts, all UU amounts in Part 8, and all YY amounts in Part 9 on all 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 (amount X in Part 6) (cannot be more than \$50,000) **800** _____ **QQ**

Maximum eligible credit for the small first-time production* **805** _____ **RR**

Deduct: Ontario film and television tax credit claimed and allowed in previous tax years for the eligible Ontario production **810** _____ **SS**

Subtotal (amount RR minus amount SS) (if negative, enter "0") _____ ▶ _____ **TT**

Ontario film and television tax credit for a small first-time production (enter amount QQ or amount TT, whichever is less) **815** _____ **UU**

Enter amount UU on line 458 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one of these schedules, add the total of all UU amounts, all PP amounts in Part 7, and all YY amounts in Part 9 on all 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 (amount Y in Part 6) × 30% = **900** _____ **VV**

Post-2007 portion of QLE for the tax year (amount Z in Part 6) × 35% = **903** _____ **WW**

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

QLE for the tax year (amount X in Part 6) × 10% = **910** _____ **XX**

Ontario film and television tax credit for an eligible Ontario production other than a first-time production (total of amounts VV to XX) **915** _____ **YY**

Enter amount YY on line 458 on Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one of these schedules, add the total of all YY amounts, all PP amounts in Part 7, and all UU amounts in Part 8 on all schedules and enter the result on line 458 of Schedule 5.