



BATON ROUGE FILM SALES TAX REBATE PROGRAM

Thank you for filming in Baton Rouge! We are pleased to be able to offer you our Baton Rouge Sales Tax Rebate Program.

Please review this information packet and feel free to reach out to the Baton Rouge Film Commission office at any time at info@filmbatonrouge.com or (225) 382-3563.

Packet includes:

1. Explanation of Rebate
2. Procedure for Rebate
3. Application and Payment Forms

Explanation of Rebate

Baton Rouge Film Incentive Program

The Baton Rouge Film Incentive program was approved by the Metropolitan Council on November 9, 2016. The program provides an incentive to qualified productions for filming in East Baton Rouge Parish in the form of a sales tax rebate. The production must apply to the Baton Rouge Film Commission for the incentive and meet certain requirements in order to receive the incentive.

What is a qualified production?

A nationally distributed feature-length film, video, television movie, television series, television pilot, or commercial made in East Baton Rouge Parish, in whole or in part, for theatrical or television viewing or as a television pilot. The term does not include the production of a: news or current affairs program, interview or talk program, magazine program, variety or skit program, "how-to" (i.e., instructional) film or program, film or program consisting primarily of stock footage, sporting event or sporting program, award ceremony, film or program intended primarily for industrial, corporate or industrial end-users, fundraising film or program, or daytime drama (i.e., daytime "soap opera"). The term also does not include a production for which records are required under section 2257 of Title 18, United States Code, to be maintained with respect to any performer in such production (reporting of books, films, etc. with respect to sexually explicit content).

What are the requirements for a qualified production to receive the incentive?

1. A Production must either have its principal Louisiana production office located within East Baton Rouge Parish, or use a soundstage facility located within East Baton Rouge Parish. A production must also have acceptable expenditures of the types listed in Section 3, paid within East Baton Rouge Parish, amounting to at least \$1,000,000.00.
2. The production company must agree to include the "Filmed in East Baton Rouge Parish, Louisiana" logo provided by the Baton Rouge Film Commission in its credits, and further to provide the Baton Rouge Film Commission with at least two still shots to be used in East Baton Rouge Parish promotional activities, and to reasonably assist East Baton Rouge in its promotional activities.
3. In order to receive incentives based on an East Baton Rouge Parish-located production office, all production office operations must be performed at that location and not at alternative locations within Louisiana.

What expenditures qualify for the incentive?

Lodging Rebate - 2% rebate on all lodging expenses for cast and crew incurred in East Baton Rouge Parish establishments which pay sales, hotel/motel, occupational license, or ad valorem taxes in East Baton Rouge Parish.

Lease or Rental Expenses - 2% rebate on all lease or rental expenses for all qualified lease or rental expenses.

Other Production Expenses - 2% rebate on any other taxable production expense incurred at an establishment located in East Baton Rouge Parish, which pays occupational license and sales tax in East Baton Rouge Parish.

What expenditures do not qualify for the incentive?

- Overhead and similar expenses do not qualify as production expenditures unless the expenditures were incurred in East Baton Rouge Parish and directly used in a pre-approved production;
- Post-production expenditures for marketing and distribution;
- Any amounts that are later reimbursed;
- Any amounts that are paid to persons or entities as a result of their participation in profits from the exploitation of the production;
- Construction of film or post-production facilities;
- Flow-through costs for services not performed in East Baton Rouge Parish or for goods not procured from within East Baton Rouge Parish; and
- Purchases made outside of East Baton Rouge Parish.

How does a production apply for the incentive?

1. An applicant for the East Baton Rouge Parish Film Incentive Rebate should submit an initial application for pre-approval (available from the Baton Rouge Film Commission and the Department of Finance) to the Baton Rouge Film Commission, Attention: Director that includes a **detailed preliminary budget, multi-market detailed distribution plan, applicable lease or rental agreement and a script synopsis (including principal creative elements)**.
2. The Baton Rouge Film Commission will review the application for Preliminary Approval. The criteria for approval as an East Baton Rouge Parish Approved Production by the Baton Rouge Film Commission is as follows:

The applicant must complete the East Baton Rouge Parish Film Incentive Request Preliminary Questionnaire and submit it to the Baton Rouge Film Commission Office, requesting approval of the production as a "parish-approved production" and setting forth the following information (as applicable):

- (a) Working title of the production for which approval is requested. Should the title change, the parish-approved production needs to inform the parish as soon as that change is made;
- (b) Name of the requesting production company;
- (c) Name, telephone number, e-mail address and attesting signature of the requesting production company's contact person;
- (d) Approximate beginning and ending date of production in East Baton Rouge Parish;
- (e) East Baton Rouge Parish office address;
- (f) Telephone number of requesting company's East Baton Rouge Parish office address;
- (g) Address of sound stage facility located within East Baton Rouge Parish, if applicable;
- (h) A preliminary budget including the estimated total production-related costs, estimated total of production-related costs to be expended in East Baton Rouge Parish;
- (i) List of principal creative elements such as principle cast, producer, director, and music supervisor.

3. The applicant must complete and submit a certification verifying that the requesting production is a qualified production as defined in these rules, and that the requesting production company has

either a viable multi-market distribution plan or a signed distribution agreement with either a major theatrical exhibitor, television network, or cable television programmer for distribution of the production for which approval is requested.

What happens after the application is submitted?

The Baton Rouge Film Commission will review the application and determine if it meets the requirements in the Ordinance to qualify for the Incentive. The board will notify the applicant of the date, time, and place of the Film Commission meeting at which the application will be considered.

If the Film Commission determines that the applicant qualifies for the Incentive, the commission will issue a Notice of Pre-approval to the applicant. If the Film Commission determines that the applicant does not qualify for the Incentive, the commission will notify the applicant of that determination and the reasons for the determination. An application that is denied may be resubmitted with new or corrected information.

What happens after pre-approval?

The production will retain all records that support its expenditures that qualify for the Incentive. Upon completion of production efforts in East Baton Rouge Parish, the production may apply for a final payment.

What is the process for applying for a Final Payment?

Final payment is subject to completion of production and to the final approval and audit requirements listed in the Ordinance and must be requested no later than twenty four (24) months from the start of occupancy as per the lease or rental agreement. Should production in East Baton Rouge Parish extend past twenty four months, the production company may petition the Baton Rouge Film Commission for an extension of this time limit.

Prior to any final approval of the expenditures of a parish-approved production and the issuance of any film incentive rebate, the motion picture production company should submit to the parish a cost report of production expenditures audited and certified by an independent certified public accountant. The City of Baton Rouge and Parish of East Baton Rouge may audit the cost report submitted by the motion picture production company. The following procedures set forth minimum standards for acceptability of the audit to be performed by a certified public accountant. The certified public accountant's report should, at a minimum, meet the following requirements:

1. The auditor auditing the report should be a Certified Public Accountant licensed in the State of Louisiana and should be an independent third party, not related to the production company;
2. The auditor's opinion must be addressed to the party who has engaged the auditor (e.g. Directors of the production company);
3. The auditor's name, address, and telephone number must be evident on the report;
4. The auditor's opinion must be dated as of the completion of the audit fieldwork;
5. The audit should be performed in accordance with auditing standards generally accepted in the United States of America, and;
6. The auditor should have demonstrated sufficient knowledge of accounting principles and practices generally recognized in the motion picture industry.

Procedure for Rebate **Baton Rouge Film Incentive Program**

STEP ONE:

In Pre-production during production, the production gets application process and forms online and applies directly to BRFC office with the following:

- Application
- A detailed preliminary budget
- Multi-market detailed distribution plan
- Applicable lease or rental agreement
- Scripts synopsis - including principal creative elements

STEP TWO:

BRFC takes it before the BRFC Board and Revenue Department for Preliminary approval.

- BRFC will Inform production of meeting time and place.
- BRFC informs production of pre-approval or denial.
- In the case of denial, the production company has 30 days to appeal and resubmit.
- Any project that is anticipated to generate a rebate of more than \$200,000 must subject quarterly reports to the BRFC, which will then be forwarded to Revenue.

STEP THREE:

Post-production, the production applies for payment OR files for in an interim rebate once they reach 1M in qualifying expenses.

- Once they reach 1M qualifying expenses the production company can file for an interim rebate - no later than 6 months from starting date of occupancy - same documents and forms required as final rebate request.
- OR production may apply for one final payment no longer than 24 months after starting date of occupancy.
- Production applies for payment with BR Film Industry Sales Tax Rebate Claim Form, Film Industry Sales Tax Rebate Calculation Worksheet and an audit (same audit state requires).
- Production is notified of rebate amount and has two weeks to respond/challenge. If no response is received, this decision is final and the payment will be processed.

STEP FOUR:

Revenue Department processes for payment.

- If over 50K, Metro Council approval is required. 60-90 days processing time for payment.
- If under 50K, no Metro Council approval required. 30 days processing time for payment.

BATON ROUGE FILM INCENTIVE PROGRAM APPLICATION (2 pages)



Baton Rouge Film Commission
City of Baton Rouge/ Parish of East Baton Rouge
225.382.3562 · www.FilmBatonRouge.com

BUSINESS CONTACT INFORMATION

Working title of production:

Local contact person name and contact information:

Production company name:

Production Company Type:
(check one)

☐ Sole Proprietorship
☐ Partnership

☐ Corporation
☐ Other

Phone:

Fax:

E-mail:

Registered local company address, City, State ZIP Code:

Approximate beginning and ending date of production in East Baton Rouge Parish:

QUALIFYING INFORMATION

Local production office address:

Phone:

Local soundstage address (if applicable):

Estimated total production budget:

Primary business address City, State ZIP Code:

Phone:

Fax:

Director:

Principal cast:

Producer:

Music supervisor:

ESTIMATED LOCAL EXPENDITURE (SUBJECT TO EAST BATON ROUGE SALES TAX)
(Please attach supporting documentation in the submitted preliminary budget)

Set construction materials: _____	Photography: _____
Wardrobes/makeup/accessories: _____	Lighting: _____
Rental equipment: _____	Food: _____
Other (specify in attached budget): _____	Lodging: _____

AGREEMENT

1. The signature below is that of a person authorized to act on behalf of the production/company.
2. The production agrees to include the Film Baton Rouge logo in its credits and cooperate with promotional activities by the Baton Rouge Film Commission.
3. The production certifies that its budget is at least \$1,000,000.
4. The production certifies that its production office is not a hotel or residence and is located in East Baton Rouge Parish. The production further certifies that this production office is its principal Louisiana production office and that all Louisiana production office operations take place at this location.
5. The production has included with this application a detailed preliminary budget, a multi-market detailed distribution plan, applicable lease or rental agreement, and a script synopsis (including principal creative elements – cast, producer, director, and music supervisor).
6. The production company has either a viable multi-market distribution plan or a signed distribution agreement with either a major theatrical exhibitor, television network, or cable television programmer for distribution of the production for which approval is requested.
7. The production company is a Louisiana State Certified Production as evidenced by documentation provided by the State of Louisiana.

SIGNATURES OF AUTHORIZED REPRESENTATIVES

Signature: _____	Signature _____
Name: _____	Name: _____
Title: _____	Title: _____
Date _____	Date _____

FILM INDUSTRY SALES TAX REBATE REQUEST FORM



City of Baton Rouge / Parish of East Baton Rouge

Department of Finance - Revenue Division

P. O. Box 2590

Baton Rouge, LA 70821-2590

(225) 389-3084

Name of Production Company:

Production Company Address:

Film Project Address:

Contact Person:

Title:

Email Address:

Telephone Number:

Name of Film Project:

Project Approval Date:

Project Start Date:

Project Completion Date:

Type of Rebate Request:

☐

Interim

☐

Final

Providing appropriate documentation for rebate requests will expedite the rebate claim process. Examples of information to provide include a copy of a completed BR Film Incentive Program Application, documented approval by BR Film Commission as a EBRP approved production, copy of lease/rental agreement, rebate calculation worksheet, listing of invoices included in the rebate, invoice copies, and the production expenses audit report prepared and approved by an independent Louisiana CPA.

Total Qualifying Expenses

for Film Project:

Rebate Tax Rate:

x 2%

Sales Tax Rebate for Project:

Authorized Signature

Date



FILM INDUSTRY SALES TAX REBATE CALCULATION WORKSHEET

Production Company _____

Project Start Date _____

Project Name _____

Project Completion Date _____

SALES TAX REBATE CALCULATION

QUALIFIED LODGING EXPENSES \$ _____

(Documentation should be attached)

QUALIFIED LEASE/RENTAL EXPENSES \$ _____

(Documentation should be attached)

QUALIFIED PRODUCTION EXPENSES \$ _____

(Documentation should be attached)

TOTAL QUALIFIED EXPENSES
ELIGIBLE FOR REBATE \$ _____

TOTAL QUALIFIED EXPENSES
ELIGIBLE FOR REBATE \$ _____

TIMES 2% TAX REBATE x 2%

PROJECT SALES TAX REBATE \$ _____

Authorized Signature

Date

NOTE: Rebate claims can be filed when acceptable expenditures have reached the \$1 million threshold.

For interim rebates, the request must be made no later than six (6) months from the start of occupancy as per the lease/rental agreement.

For final rebates, the request must be made no later than twenty-four (24) months from the start of occupancy as per the lease/rental agreement.