|  |  |
| --- | --- |
| Screen Australia Lockup Blue CMYK | Office use only:  Date of receipt:  Date appl. completed:  Reference No: |
| APPLICATION FOR  **PROVISIONAL CERTIFICATE** FOR THE PRODUCER OFFSET*If your project has been produced as an* ***official co-production****,* ***do not use this form.*** *See* [www.screenaustralia.gov.au/coproductions/provisional\_approval.aspx](http://www.screenaustralia.gov.au/coproductions/provisional_approval.aspx) | |

|  |  |
| --- | --- |
| **PROJECT TITLE:** |  |

|  |  |
| --- | --- |
| **AKA TITLE/S:** |  |

|  |  |
| --- | --- |
| **APPLICANT COMPANY:** |  |

|  |
| --- |
| SUBMITTING YOUR APPLICATION   * All documents should be submitted in soft copy **only** via:   [**https://ftp2.screenaustralia.gov.au/dropbox/POCU**](https://ftp2.screenaustralia.gov.au/dropbox/POCU)   * Please ensure all attachments requested on the checklist at the back of this application form are supplied and are correctly named. Incomplete applications will not be accepted. * Please include a cover letter outlining any particular elements of the application that may require special consideration as this will assist in the assessment process.   ASSESSMENT OF YOUR APPLICATION   * Allow up to 6 weeks for a complete application to be assessed. * Applications will not be assessed until the application fee has been paid.   **The relevant application fee has been paid (see page 2):** Reference no. of EFT transaction:        * **Enquiries: Phone: +61 2 8113 1042 Toll free: 1800 213 099 -** [**pocu@screenaustralia.gov.au**](mailto:pocu@screenaustralia.gov.au) |
| **PLEASE NOTE**  **Criminal and civil penalties apply to persons who make false or misleading statements to  Screen Australia or the Australian Taxation Office.** |

|  |
| --- |
| INTRODUCTION |

The Producer Offset operates under Division 376 of the Income Tax Assessment Act 1997 (**ITAA,** as amended).

The Producer Offset legislation uses the term ‘**film’** to refer to all formats of production. To avoid confusion, throughout this application form, the term ‘**project**’ is used to include feature films, telemovies, television drama series, documentaries and animation.

In order to be certified by Screen Australia as eligible for the Producer Offset, a project must meet the following criteria:

* It must be **completed**.
* Screen Australia must be satisfied that it has a '[significant Australian content](http://www.screenaustralia.gov.au/producer_offset/eligibility_SAC.aspx)' (**SAC**) or it must be an official co-production.
* It must be of an [eligible **format**](http://www.screenaustralia.gov.au/producer_offset/eligibility_format.aspx).
* Its [qualifying Australian production expenditure (**QAPE**)](http://www.screenaustralia.gov.au/producer_offset/eligibility_QAPE.aspx) must meet or exceed the relevant **threshold**.
* The applicant company must be an Australian company, or a foreign company with an Australian permanent residency and an Australian Business Number (**ABN**).
* The applicant company must have either carried out, or made arrangements for carrying out, all the activities necessary for making the project.

This application form has been prepared in order to provide Screen Australia with sufficient information to determine whether the above criteria will or will likely be met if the project is made in accordance with the information provided. Further information may be sought as required.

**BEFORE YOU BEGIN**

A Provisional Certificate is not a prerequisite for a Final Certificate. A Provisional Certificate will certify under rule 13 of the *Producer Offset Rules 2007* that the conditions set out in subsections 376-65(2) to (6) of the ITAA will be met, or are likely to be met, if the Film is completed in accordance with the information supplied in the application.

Refer to [www.screenaustralia.gov.au/producer\_offset](http://www.screenaustralia.gov.au/producer_offset/prov_certification.aspx) for:

* Producer Offset Guidelines
* Relevant QAPE spreadsheets
* *At a Glance* – a comprehensive reference document particularly useful in assisting with the calculation of QAPE.

**FEES**

The following Application Fees apply for Producer Offset Provisional Certificate Applications (including GST) apply from 1 July 2016:

$124.00 – if budget total is less than $1m

$621.00 – if budget total is $1m to less than $5m

$1,242.00 – if budget total is $5m to less than $15m

$2,485.00 – if budget total is $15m to less than $30m

$4,348.00 – if budget total is $30m or more

Reconsideration Fee: $220

‘Budget’ refers to the total budget of the film (ie including any co-producers’ expenditure for official co-productions), not just the Australian producer’s proportion.

**EFT details are:**

|  |  |  |  |
| --- | --- | --- | --- |
| Account name: | | SCREEN AUSTRALIA – General Account | |
| BSB: | 06 2018 | Account number: | 1022 5528 |
| Commonwealth Bank of Australia (CBA) | | | Corner Park & Castlereagh Street, Sydney NSW 2000 |

Applicants should include the following information in the ‘reference’ field section of the transfer:   
[**OFF\_(applicant company)\_(project title)] (eg OFF\_AAA Pty Ltd\_*Bob’s Farm*)**.

A tax invoice will be issued to the applicant.

**☞ATTACHMENT**: Scan of the transaction statement showing proof of payment.

|  |
| --- |
| INELIGIBILITY |

|  |
| --- |
| **INELIGIBILE FORMATS** |

**In relation to this project, if the answer is YES to any of the following questions, the project will be ineligible for the Producer Offset.**

Is the project:

* an advertising program? .......................... **YES**  **NO**
* a commercial? .......................... **YES**  **NO**
* a discussion program? .......................... **YES**  **NO**
* a quiz program? .......................... **YES**  **NO**
* a panel program? .......................... **YES**  **NO**
* a variety program? .......................... **YES**  **NO**
* a film of a public event (other than a documentary)?..... **YES**  **NO**
* a training film? .......................... **YES**  **NO**
* a computer game? .......................... **YES**  **NO**
* a news or current affair program? .......................... **YES**  **NO**
* a reality program (other than a documentary)?.............. **YES**  **NO**

|  |
| --- |
| **INELIGIBILITY BY PREVIOUS CERTIFICATION** |
| **In relation to this project, if the answer is YES to any of the following questions, the project will be ineligible for the Producer Offset.**  1. Has the applicant company, or any investor in the project, claimed a deduction in relation to copyright in the project under Division 10B of Part III of the *Income Tax Assessment Act 1936*?  **YES  NO**  2. Has a Final Certificate for the projectbeen issued at any time under Division 10BA of  Part III of the *Income Tax Assessment Act 1936*?  **YES  NO**  3. Has a certificate been issued for the Location Offset or the PDV Offset?  **YES  NO**  4. Has the applicant company or anyone else received investment in the project from a Film  Licensed Investment Company (FLIC)?  **YES  NO**  5. Has the applicant company received equity funding from the Film Finance Corporation,  the Australian Film Commission, Film Australia or the Australian Film Television and  Radio School, prior to July 2007 (ie was the first drawdown pre-July 2007)?  **YES  NO**   |  | | --- | | **Answering YES to any of the following questions does *not* mean the project will be ineligible for the Producer Offset tax incentive, but may have other impacts.**  1. Has the applicant company applied for any payments from the Producer Equity Program (PEP)  for this project?  **YES  NO**  2. Has a Provisional Certificate for the project been issued at any time under Division 10BA  of Part III of the *Income Tax Assessment Act 1936*?  **YES  NO**  3. Has an application been made for a certificate for the Location Offset or PDV Offset?  **YES  NO** |   6. Has the applicant company received any payments from the Producer Equity Program (PEP)  **YES  NO** |

|  |  |
| --- | --- |
| Section 1 | APPLICANT INFORMATION |

**THIS FORM MUST BE COMPLETED USING MICROSOFT WORD.   
The fields expand as you type. You can use the tab key to jump to the next field.**

|  |  |
| --- | --- |
| **APPLICANT COMPANY (registered name):**  **ABN:** | |
| Registered address:    Business/Mailing address: | Contact(s) for questions during the assessment process:  1.       Role:  2.       Role: |
| Business phone: |
| Mobile phone: |
| Email: |
| Email: |

|  |  |  |
| --- | --- | --- |
| ***Names of Company Directors*** | ***Nationality*** | ***Residency*** |
|  |  |  |
|  |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| ***Beneficial owners of shares in the Applicant Company*** | ***Nationality*** | ***Residency*** |
|  |  |  |
|  |  |  |

**☞ ATTACHMENT**: Formal company statement (eg from ASIC) providing the registered address of the **applicant company** and the names and addresses of directors and shareholders of the company. If the applicant company is a foreign resident, please attach details of the applicant company’s permanent establishment in Australia.

**Tick to confirm the following:**

The applicant company is not acting in the capacity of a trustee of a trust

Was the applicant company set up as a **Special Purpose Vehicle (SPV)**  **YES  NO**

If **YES**, please provide details of the parent company/ies below.

|  |  |
| --- | --- |
| **PARENT COMPANY (IF APPLICABLE):**  **ABN:** | |
| Registered address:    Business/Mailing address: | Contact person:  Role of contact person: |
| Business phone: |
| Mobile phone: |
| Email: |
|  |

|  |  |  |
| --- | --- | --- |
| ***Names of Company Directors*** | ***Nationality*** | ***Residency*** |
|  |  |  |
|  |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| ***Beneficial owners of shares in the Parent Company*** | ***Nationality*** | ***Residency*** |
|  |  |  |
|  |  |  |

|  |  |
| --- | --- |
| Section 2 | PROJECT INFORMATION |

|  |
| --- |
| **FORMAT AND DURATION** |

**Please select format:**

Feature film(including large format – eg IMAX) Running time (in minutes):

**Single-episode programs (except short-form animation)**

Single-episode program (other than documentary) Running time (in minutes):

Single-episode program (documentary) Running time (in minutes):

**Season of a series**

Short-form animation

ie an animated drama or documentary program of one episode or a collection of episodes, of not less than one commercial quarter hour in *total* duration.

Season of a series (drama/animation) OR  Season of a series (documentary)

For both a **season of a series** and a **short form animation** it is mandatory to complete **Worksheet (c)** of the Final QAPE spreadsheet. Make sure you have chosen the correct film format on the QAPE worksheet (b).

**Using Worksheet (c) as a guide please complete the following:**

*For the season that you are applying for:*

Season number:       Number of episodes:        
Episode numbers:       *(first episode - last episode)*

Episode length (in mins):       Episode length (in commercial hours):

*For the series:*

Total commercial hours to date:       *including the season that you are applying for*.

Total episodes to date:       *including the season that you are applying for*.

|  |
| --- |
| **DOCUMENTARY FORMAT** |

**Definition of Documentary**If you are applying as a documentary program (excluding documentary feature films) you will need to provide a statement outlining how the project meets the definition of documentary as outlined in the ITAA.

The relevant matters, as outlined in section 376-25, are as follows:

* **The extent and purpose of any contrived situation featured in the film**
* **The extent to which the film explores an idea or a theme**
* **The extent to which the film has an overall narrative structure, and**
* **Any other relevant matters.**

**Excluded Formats**  
You must also address in the statement that the film is not an excluded format, namely a magazine, infotainment or lifestyle program.

**Magazine Programs**Defined in the Legislation as follows:

* **(i) presents factual information; and**
* **(ii) has 2 or more discrete parts, each dealing with a different subject or a different aspect of the same subject; and**
* **(iii) does not contain an over-arching narrative structure or thesis.**

**Infotainment or Lifestyle Programs**Within the meaning of Schedule 6 to the Broadcasting Services Act 1992 is defined as

‘...**the sole or dominant purpose of which is to present factual information in an entertaining way, where there is a heavy emphasis on entertainment value**’.

**☞ATTACHMENT:** Please address all of the matters in bold in a ‘Documentary format statement’.

|  |
| --- |
| **SYNOPSIS/SUBJECT MATTER** |

*Please provide a one paragraph synopsis:*

|  |
| --- |
|  |

**☞ATTACHMENT:** Please supply a one page synopsis or outline of episodes of the project is a season of a series.

|  |
| --- |
| **SETTING** |

***For drama***, indicate the **on screen** **settings in the script** (not filming locations), including fictional settings, to be portrayed.   
***For documentary***, please indicate the **filming locations**.

100% set in Australia

Partially or 100% set **outside** Australia. Please describe the non-Australian settings and where they were shot/are to be shot:

|  |  |  |  |
| --- | --- | --- | --- |
| **Description of non-Australian setting (including unspecified/fantasy)** | **Proportion set in  this non-Australian location** | **Actual filming location: local or foreign**  (if local, please indicate state/territory) | **Weeks in filming location** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

|  |
| --- |
| **CHAIN OF TITLE AND UNDERLYING RIGHTS** |

For **final certification** the applicant company must hold the appropriate rights necessary to make the project. This includes, for example, the copyright in a screenplay and the right in any underlying work on which the screenplay is based (ie a book, unpublished manuscript, etc). For **final certification** you will be required to supply all **chain of title** documents.

|  |
| --- |
| State the **current owner** of the **option** on the material:  Nationality:  Place of residence for last 2 years, if not Australia: |

**☞ATTACHMENTS**: Please supply any chain of title documents available to date (including PIA, writer, director’s agreements) and solicitor’s opinion letter, if available.

|  |
| --- |
| **Script title:**  Has the script had previous titles other than the current title on the completed version of the project:  **YES  NO**  If **YES**, please state previous title/s: |

**☞ATTACHMENT**: Please supply a copy of the script.

|  |
| --- |
| Is the script an **original work** by the scriptwriter?  **YES  NO** |
| If **NO**, please set out below the information relating to the **underlying work**.  1. Format of source material (eg newspaper, article, book, short story, play):  2. Title of source material:  3. Author of source material:  4. Nationality of source material author:  5. Residency for the last 2 years of source material author:  *You may be asked to supply a copy of source material*. |

|  |
| --- |
| Is the work rewritten from a **different script** (not a previous draft)?  **YES  NO** |
| If **YES**, please set out below the information relating to the previous script.  1. Title of original script:  2. Date of last draft of previous script:  3. Scriptwriter(s) of previous script:  4. Nationality(ies) of scriptwriter(s) of previous script:  5. Residency for the last 2 years of previous scriptwriter(s):  6. Please state whether the author of the previous script received a credit on all copies of the project, and what that credit is:  *You may be asked to supply a copy of the previous script.* |

|  |
| --- |
| **KEY CREATIVES** |

List the name, nationality and residency prior to production of the following key creatives. For **final certification** you will be required to provide copies of fully executed contracts for all ATL personnel.

|  |  |  |
| --- | --- | --- |
| ***Name(s) of the credited Producer(s)*** | ***Nationality*** | ***Residency*** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| ***Name(s) of the credited Director(s) – where not relevant, whoever fulfils that role*** | ***Nationality*** | ***Residency*** |
|  |  |  |
|  |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| ***Name(s) of the credited Screenwriter(s) – where not relevant, whoever fulfils that role*** | ***Nationality*** | ***Residency*** |
|  |  |  |
|  |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| ***Name(s) of the credited Executive Producer(s)*** | ***Nationality*** | ***Residency*** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

Please provide a list of proposed **key production personnel** with name, nationality and residency for the past two years. If you are unable to supply names you MUST provide proposed nationality and residency. If the role is not applicable, please list N/A.

|  |  |  |  |
| --- | --- | --- | --- |
| ***Personnel*** | ***Name*** | ***Nationality*** | ***Residency*** |
| DOP / camera operator |  |  |  |
| Editor |  |  |  |
| Production Designer |  |  |  |
| Composer |  |  |  |
| CGI/VFX Producer/Supervisor |  |  |  |
| Costume Designer |  |  |  |
| Sound Recordist |  |  |  |
| ***For documentaries*:** | | | |
| Special Photography |  |  |  |
| Researcher |  |  |  |
| ***For animation:*** | | | |
| Animation Director |  |  |  |
| Storyboard Artist |  |  |  |

|  |
| --- |
| **CHARACTERS AND CAST** |

Please list the nationality of the **principal characters to be portrayed** and of the **principal cast** with name, nationality and residency for the past 2 years. If you are unable to supply names you MUST provide nationality and residency.

|  |  |  |  |
| --- | --- | --- | --- |
| **Character to be portrayed** | **Character’s nationality** | **Cast name** | **Cast nationality / residency** |
| 1. |  |  |  |
| 2. |  |  |  |
| 3. |  |  |  |
| 4. |  |  |  |
| 5. |  |  |  |
| 6. |  |  |  |

***For documentary*:** Please provide a list of proposed **narrator**, on-screen **presenter** and all **key participants**. Attach a separate list if there are more than 4 key participants.

|  |  |  |  |
| --- | --- | --- | --- |
| ***Role*** | ***Name*** | ***Nationality*** | ***Residency*** |
| Narrator |  |  |  |
| On-screen presenter |  |  |  |
| 1. Key Participant |  |  |  |
| 1. Key Participant |  |  |  |
| 1. Key Participant |  |  |  |
| 1. Key Participant |  |  |  |

***For animation*:** Please list the **lead voices/characters** to be portrayed.

|  |  |  |  |
| --- | --- | --- | --- |
| ***Lead Voice/Character*** | ***Cast name*** | ***Nationality*** | ***Residency*** |
| 1. Lead voice |  |  |  |
| 2. Lead voice |  |  |  |
| 3. Lead voice |  |  |  |
| 4. Lead voice |  |  |  |

|  |
| --- |
| **DATES** |

|  |  |  |
| --- | --- | --- |
| Date of anticipated commencement of principal photography |  |  |
| (or for an animated project, the date the production of the animated image commenced): |  |  |

|  |  |  |
| --- | --- | --- |
| Date of anticipated completion of the project: |  |  |
| *NB: See* At a Glance *for the definition of ‘completion’.* |  |  |

|  |  |  |
| --- | --- | --- |
| Date of anticipated application for a Final Certificate: |  |  |

|  |
| --- |
| Please complete the production schedule below, clearly indicating any work that will be carried out **outside** Australia. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| ***Production stage*** | ***Total weeks each stage*** | ***Dates***  *(DD/MM/YY  – DD/MM/YY)* | ***Weeks in Australia*** | ***Weeks outside Australia*** *(if applicable)* | ***Offshore location (country)*** *(if applicable)* |
| *Research & Development (R&D)* |  |  |  |  |  |
| *Pre-production* |  |  |  |  |  |
| *Principal Photography* |  |  |  |  |  |
| *Post-production: Edit* |  |  |  |  |  |
| *Post-production: Sound* |  |  |  |  |  |
| *Post-production: CGI* |  |  |  |  |  |
| *Post-production: Music* |  |  |  |  |  |
| *Post-production: Mix* |  |  |  |  |  |
| *Total Post-production*  This may not be a cumulative total of the above as some tasks may be undertaken at the same time. |  |  |  |  |  |
| ***Total number of production weeks* (DO NOT INCLUDE R&D)** |  |  |  |  |  |

**Research & Development**

Please attach a detailed development timeline for the film, including work undertaken outside Australia and/or by non-Australians.

**The ‘Gallipoli Clause’**   
Are you intending to claim expenditure on Australian residents overseas during principal photography (using the legislative provision commonly referred to as the ‘Gallipoli clause’)? Please refer to *At a Glance* for guidance on the Gallipoli clause*.*

|  |  |
| --- | --- |
| **YES** | **NO** |

If YES, please supply a statement outlining how the project meets the relevant provision of the ITAA (Section 376-170(2) Item 4 in the table).  
  
In order to claim overseas expenditure as QAPE the following elements must all be met:

**• The expenditure is remuneration of Australian residents or the purchase of goods or**

**services from companies or permanent establishments that have an ABN, and**

**• It is during principal photography for the film, and where**

**• The subject matter of the film reasonably requires the use of the overseas location.**

Please attach an anticipated breakdown of overseas expenditure claimed as QAPE under the Gallipoli clause and provide the total estimated costs here:

**☞ATTACHMENTS**:

* A detailed development timeline for the film
* Statement outlining how the film meets the Gallipoli clause.
* Gallipoli anticipated expenditure breakdown, clearly outlining each category and total spend.

|  |
| --- |
| **SPEND ON AUSTRALIANS & WITHIN AUSTRALIA** |

As part of the Significant Australian content (SAC), we need to assess certain elements of the expenditure.   
Please provide:

* The percentage of the budget that will be spent on Australians, including Australian companies and facilities (this is regardless of where the work takes place and excludes non-Australian cast and crew, facilities and companies):      %
* The percentage of the budget that will be incurred in Australia (ie. is for work undertaken in Australia, regardless of the goods or service provider’s nationality):      %.

|  |
| --- |
| **COPYRIGHT INTEREST, CREATIVE CONTROL AND RETURNS** |

Please list any company or individual with a proposed **beneficial interest in the copyright of the project** and provide details below (**as per your finance plan**). Please ensure the totals for the below tables add to 100%.

|  |  |  |  |
| --- | --- | --- | --- |
| ***Beneficial owners of copyright in the project*** | ***Nationality*** | ***Residency*** | ***% beneficial copyright in the project*** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

Please list any company or individual who will have **creative control over the project,** including the right to be consulted, to veto, or to give approval with respect to the script, cast, crew, music, sound mix, budget items and final cut and provide details below.

|  |  |  |  |
| --- | --- | --- | --- |
| ***Name and role*** | ***Nationality*** | ***Residency*** | ***Details of creative control*** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

Please list any company or individual who will **share in the income or profit,** and provide details below   
(as per your finance plan).

|  |  |  |  |
| --- | --- | --- | --- |
| ***Name and role*** | ***Nationality*** | ***Residency*** | ***Details of returns*** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

|  |
| --- |
| **FINANCE SOURCES** |

*\* For type of finance please indicate: equity investment, distribution advance/guarantee, licence fee/presales, loans, etc.*

|  |  |  |  |
| --- | --- | --- | --- |
| **Offset cashflow** (please indicate method of cashflowing the Producer Offset) | | | |
| Name of Source | Australian/Overseas | Type of finance\* | Amount (AUD) |
|  |  |  |  |
|  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Direct Government** (include Screen Australia, state agencies, etc) | | | |
| Name of Source | Australian/Overseas | Type of finance\* | Amount (AUD) |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Broadcaster** (include any presales, equity, licence fees, from national, commercial and subscription broadcasters) | | | |
| Name of Source | Australian/Overseas | Type of finance\* | Amount (AUD) |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Film/TV production company** | | | |
| Name of Source | Australian/Overseas | Type of finance\* | Amount (AUD) |
|  |  |  |  |
|  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Distribution company/sales agent** | | | |
| Name of Source | Australian/Overseas | Type of finance\* | Amount (AUD) |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Producer/Director/Writer Own Funds** (include deferrals and reinvestments) | | | |
| Name of Source | Australian/Overseas | Type of finance\* | Amount (AUD) |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Private or Other** (eg film festivals, etc) | | | |
| Name of Source | Australian/Overseas | Type of finance\* | Amount (AUD) |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

|  |  |
| --- | --- |
| **TOTAL BUDGET:** |  |

**☞ ATTACHMENT**: Please also provide a finance plan in Excel.

|  |  |
| --- | --- |
| Section 4 | BUDGETED EXPENDITURE |

|  |
| --- |
| **QUALIFYING AUSTRALIAN PRODUCTION EXPENDITURE (QAPE)** |

***The Producer Offset is worth:***

* ***40% of QAPE incurred on feature films***
* ***20% of QAPE incurred on films that are not feature films.***

The applicant is advised to monitor QAPE and eligibility thresholds during production of a project to ensure that QAPE does not drop below the required expenditure levels and render the project ineligible.

|  |  |  |  |
| --- | --- | --- | --- |
| Format | Minimum duration | ‘Total’ QAPE threshold | ‘Per hour’ QAPE threshold |
| **Feature films, including theatrical documentaries, animation and IMAX (Offset=40%)** | | | |
| Feature | 60 mins | $500,000 | n/a |
| Large format (eg IMAX) | 45 mins | $500,000 | n/a |
| **Non-feature programs other than documentaries or animations (Offset=20%)** | | | |
| Single-episode | Commercial hour | $500,000 | n/a |
| Season of a series (at least 2 episodes) | Commercial ½ hour per episode | $1,000,000 | $500,000 per actual hour |
| **Non-feature documentaries (Offset=20%)** | | | |
| Single-episode or season of a series | Commercial ½ hour per episode | $500,000\* | $250,000 per actual hour |
| **Non-feature animation (Offset=20%)** | | | |
| Season of a series (at least 2 episodes) | Commercial ¼ hour per episode | $1,000,000 | $500,000 per actual hour |
| Single-episode | Commercial hour | $500,000 | n/a |
| *Or, if the project does not meet the requirements of an animated season of a series or an animated single episode program:* | | | |
| Short-form animation (single episode or series) | Commercial ¼ hour in total | $250,000 | $1,000,000 per actual hour |

**CALCULATING PER HOUR QAPE**

|  |
| --- |
| The per hour QAPE is calculated by dividing the total QAPE of the project by its actual total duration in hours (for series, the total duration = the number of episodes x the actual duration of each episode)  *Example 1: A season of a series, with 22 eps x 24 mins (528 mins) and total QAPE of $6,500,000.*  QAPE/hour = Total QAPE of series = $6,500,000 = $738,636 per hour QAPE  Total duration 528 mins (8.8 hrs)  Therefore, this series would pass both the minimum overall QAPE threshold of $1,000,000 and the minimum per hour QAPE threshold of $500,000.  *Example 2: A documentary season of a series, with 4 eps x 26 mins (104 mins) and total QAPE of $850,000.*  QAPE/hour = Total QAPE of series = $850,000 = $491,329 per hour QAPE  Total duration 104 mins (1.73 hours)  Therefore, this documentary series would pass both the minimum overall QAPE threshold of $500,000 and the minimum per hour QAPE of $250,000.  *Example 3: A short-form animation, with 26 eps x 1½ mins (39 mins) and total QAPE of $675,000.*  QAPE/hour = Total QAPE of series $675,000 = $1,038,461 per hour QAPE  Total duration 39 mins (0.65 hours)  Therefore, this short-form animation would pass both the minimum overall QAPE threshold of $250,000 and the minimum per hour QAPE of $1,000,000. |
| **Does the applicant wish Screen Australia to assess the project’s estimated QAPE  [Subsection 376-65(6) of the legislation]?**  **YES  NO** |

**If YES**, you must provide a **provisional QAPE spreadsheet**. The spreadsheet should clearly and separately indicate which expenditure will be QAPE and which expenditure if any is non-QAPE. The template for the provisional QAPE spreadsheet is available on the Screen Australia website at [www.screenaustralia.gov.au/producer\_offset/prov\_certification.aspx](http://www.screenaustralia.gov.au/producer_offset/prov_certification.aspx).

Refer to *At a Glance* for a comprehensive reference useful in assisting with the calculation of QAPE.

**SUMMARY (please complete the table below – this information can be taken from the QAPE calculation summary box on your QAPE spreadsheet)**

|  |  |  |
| --- | --- | --- |
| Total Film Expenditure (total budget) | AUD$ |  |
| Claimed QAPE: Feature | AUD$ |  |
| Claimed QAPE: Non-feature | AUD$ | Total QAPE per hour: |

|  |
| --- |
| **BUDGET** |

* The POCU accept budgets in any format (eg Screen Australia's A-Z, Movie Magic, EP budgeting) as long as the budget is accompanied by a completed QAPE spreadsheet.
* The POCU will only accept QAPE spreadsheets created by Screen Australia and available on the Producer Offset website. It is very important that applicants do not create their own QAPE spreadsheets as the spreadsheets provided by Screen Australia contain valuable formulas which will assist applicants in preparing their application and assist the POCU in assessing it. For each new application please download the latest spreadsheets from the Producer Offset website.
* The Screen Australia A-Z budget has a QAPE spreadsheet attached to it, with formulas linked to the budget. Expenditure that is non-QAPE can be earmarked in the budget and will automatically appear as exclusions/non-QAPE in the QAPE spreadsheet.
* Screen Australia has taken care to ensure that the formulas in the budget and the QAPE spreadsheets are correct. However, as not all formulas are locked, errors can occur when numbers are entered to override formulas and/or when lines are added or subtracted. Screen Australia takes no responsibility for the accuracy of budgets or spreadsheets provided by an applicant. Please check each line to ensure the accuracy of the sub-totals and totals lines and columns.
* Screen Australia's A-Z budget templates (incorporating templates for QAPE calculation) are available at:  
  <http://www.screenaustralia.gov.au/funding-and-support/producer-offset/document-library#cctools>

**☞ATTACHMENTS**: Budget and QAPE spreadsheet.

|  |
| --- |
| **STATE GOVERNMENT REBATES AND REFUNDS** |

Will the applicant access any State Government rebates or refunds (including offsets and   
excluding production investment) in relation to the production of the Project?  **YES  NO**

**If YES**, provide details of such rebates or refunds rights below:

|  |  |
| --- | --- |
| State Government: | |
| Type of rebate or refund: | Amount: $ |

|  |
| --- |
| **NOTES FOR FINAL CERTIFICATION** |

It is important to note that for **final certification** you will need to provide the following –

1. Expenditure statements including **a full** **General Ledger,** a **subset of the General Ledge**r, a **final** **Cost Report,** a **final QAPE spreadsheet, a Non-QAPE report, an itemised breakdown of all music, archival footage and contracted deliverables claimed as QAPE**. These documents must be consistent and reconciled.
2. List of **Depreciating Assets** that are owned by, or will be purchased by, the applicant company and used for the making of the film (eg camera/editing equipment/sound equipment etc). Any assets owned and used by the applicant company will need to be depreciated according to tax law, and it is the depreciation of these assets, attributable to their use in the making of the film, that will be QAPE. It is important to note that this amount may differ to the rental fee for these items as they appear in your budget. For further information please refer to the Assets and Rentals Fact Sheet available in the Producer Offset document library at the following link [**http://www.screenaustralia.gov.au/producer\_offset/**](http://www.screenaustralia.gov.au/producer_offset/)
3. **Interested party expenditure** - under the Producer Offset legislation, *Division 376 of the Income Tax Assessment Act 1997 (the Act),* expenditure can only be claimed as QAPE if it is incurred on an ‘arm’s length’ basis (section 376-175). In determining whether parties are ‘dealing with each other at arm's length’, an assessment must be made of whether the parties deal with each other as arm's length parties normally do, so that the outcome of their dealing is a matter of real bargaining.

Please outline below (or attach a list of) any anticipated interested party expenditure that will be incurred in the making of this film (eg EP/Producer fees, office rent, editing facilities, camera hire, archival footage etc).

It is important to note that for provisional certification, we will not:

* Certify that interested party transactions are budgeted in accordance with the arm’s length principle, or
* Audit the claims in your application form and associated documentation.

|  |  |  |
| --- | --- | --- |
| ***Provider*** | ***Role/Service*** | ***Proposed Fee*** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

Please note that for final certification, all arrangements between interested parties will be examined to ensure they are at ‘arm’s length’ – ie that the parties were dealing with each other party as if they were entirely independent. (See *Interested Party Fact Sheet.*)

If interested party charges total in excess of **approximately 50%** of the claimed QAPE for a project, applicants must, upon request, be able to provide the detailed GL for each related company that incurred costs (for that particular project).

Final Certificate applications reporting lump sum payments made to related companies will not be accepted.

1. **Archival footage expenditure** – please provide:

* An estimated duration of archival footage to be used in the film:       min;
* Amount of the archival footage which will be sourced from an interested party:       min.

|  |  |
| --- | --- |
| Section 5 | PATHWAY TO AUDIENCE : FOR ALL FORMATS |

A feature film is the only format which receives the 40% Producer Offset. A feature film must be made for screening as the main attraction in commercial cinemas.

All other eligible formats need to be commercially available to the Australian public (eg home entertainment, TV, VOD and ITunes).

|  |
| --- |
| **A - NON-FEATURE PROJECTS (20% offset)** |

For final certification you will need to provide evidence that the project is commercially available to the Australian public. This may take the form of a fully executed commercial agreement.

**☞ ATTACHMENT**: If any commercial agreements are available at this provisional stage, please attach them to this application.

|  |
| --- |
| **B - FEATURE PROJECTS (40% offset)** |

Refer to the *Producer Offset guidelines* (under ‘Feature films and distribution’) and *At a Glance* (under ‘Distribution’) for further information.

**Do you wish Screen Australia to consider whether the film is produced for exhibition to the public in cinemas?**

**NO** – This issue will instead be considered in the context of a final certification application.  
You do not need to answer the below questions. **Please go to checklist and sign the statutory declaration.**

**YES** – Please complete the questions below.

Please attach the **distribution agreement**(s) or **deal memo**, a **marketing plan** and documentation demonstrating the **track record of the distributor**, particularly in releasing Australian feature films. Any comments can be provided in the space below:

|  |
| --- |
|  |

Please specify below the **genre** of the film (eg horror, drama, comedy etc) and the **targeted audience**:

|  |
| --- |
|  |

Please briefly outline below the **track** **record of the Producer, Director, Writer and other principals** (in feature films). Please attach all biographies:

|  |
| --- |
|  |

Please briefly outline below the **track record of the Cast and Heads of Departments** (in feature films):

|  |
| --- |
|  |

Is the distributor a related company to the applicant?

|  |  |
| --- | --- |
| **NO**  **YES** please provide details |  |

Is a **ROW sales agent** currently attached to the project?

|  |  |
| --- | --- |
| **NO**  **YES** please provide details |  |

|  |  |
| --- | --- |
| On what format is the film being **shot** (HD, Imax)? |  |

|  |  |
| --- | --- |
| On what format will the film be **finished**? |  |

|  |  |
| --- | --- |
| How many **release prints** have been budgeted? |  |

Is there any **P&A** commitment?

|  |  |
| --- | --- |
| **NO**  **YES** please provide details |  |

Will a **publicist** / **distribution consultant** be attached to the project?

|  |  |
| --- | --- |
| **NO**  **YES** please provide details |  |

Has the film been accepted into a **festival**,specifically as a feature film?

|  |  |
| --- | --- |
| **NO**  **YES** please provide details |  |

Has any State or Federal agency or Australian film festival provided financial support to produce the film as a feature film?

|  |  |
| --- | --- |
| **NO**  **YES** please provide details |  |

Will all the **Australian cast members** be engaged under the Media Entertainment and Arts Alliance (MEAA)   
Australian Feature Film Agreement (AFFA)?

|  |  |
| --- | --- |
| **YES**  **NO** please provide details |  |

Indicate which of the following ‘**loading for rights’** you intend to buy out in agreements with cast members?

World Theatrical Rights  Australian Free Television Rights Australian Ancillary Rights

World TV Rights (excluding US Network)  World Ancillary Rights (excluding Australia)

At final certification you will be required to supply fully executed contracts for all all cast.

|  |
| --- |
| SUPPORTING DOCUMENTATION CHECKLIST |

**INSTRUCTIONS**

* Please confirm by marking the boxes below that the relevant attachments have been submitted.
* **SOFT COPY** documents should be named as indicated in the checklist.
* **Projects will not be assessed until a complete application is received**.

Completed application form. filename: Application Form - [Project Name].doc or .docx (Word format only; not PDF)

Attached

Cover letter. filename: Cover letter - [Project name].doc or .docx (Word or PDF)

Attached  Not applicable

**APPLICANT INFORMATION**

1. Fees – transaction statement confirming the application fee has been paid.  
   filename: Transaction Statement - Fee - [Project Name].doc, .docx or .pdf

Attached

1. Formal company statement (eg from ASIC) providing the registered address of the applicant company and the names and addresses of the directors and shareholders of the company. If the applicant company is a foreign resident, please attach details of the applicant company’s permanent establishment in Australia.  
   filename: ASIC Company Statement - Applicant Company - [Company name] - [Project Name].doc, .docx or .pdf

Attached

1. Formal company statement (eg from ASIC) providing proof of Australian permanent residence of parent production company: registered address, names and addresses of directors and shareholders of the company.  
   filename: ASIC Company Statement - Parent Company - [Company name] - [Project Name].doc, .docx or .pdf

Attached  Not applicable

**PROJECT INFORMATION**

1. Statement addressing the documentary format of the film   
   filename: Documentary Format - [Project Name].doc, .docx or .pdf

Attached Not applicable

1. One page synopsis.   
   filename: Synopsis - One Page - [Project Name].doc or .docx (Word format only ; not PDF)

Attached

1. Outline of episodes. filename: Outline of Episodes - [Project Name].doc, .docx or .pdf

Attached Not applicable

1. Copy of all chain of title documents available to date (including PIA, writer, script editor and director agreements) and solicitor’s opinion letter, if available.  
   filename: COT - [Number] - [Document Name] - [Project Name].doc, .docx or .pdf

filename: Solicitor's Opinion Letter - [Project Name].doc, .docx or .pdf

Attached Not available

1. Copy of the script. filename: Script - [Project Name].doc, .docx or .pdf

Attached Not applicable

1. A detailed development timeline for the film, including work undertaken outside Australia and/or by non-Australians. filename: Development Timeline – [Project Name].doc, .docx or .pdf

Attached

1. Statement outlining how the film meets the Gallipoli clause.   
   filename: Gallipoli statement – [Project Name].doc, .docx or .pdf

Attached Not applicable

1. Gallipoli anticipated expenditure breakdown, clearly outlining each category and total spend.  
   filename: Gallipoli breakdown – [Project Name].xls or .xlsx

Attached Not applicable

1. Finance plan for the project. filename: Finance Plan - [Project Name].xls or .xlsx (Excel format only; not PDF)

Attached

**BUDGETED EXPENDITURE**

1. Budget. filename: Budget - [Project Name].xls, .xlsx or .pdf

Attached

1. QAPE spreadsheet. filename: QAPE Spreadsheet - [Project Name].xls, .xlsx or .pdf

Attached Not applicable – not having QAPE assessed

**PATHWAY TO AUDIENCE: ALL FORMATS**

**NON-FEATURE**

1. Any commercial agreement or television transmission/broadcast agreements available.

filename: Distribution Agreement - [Licensor] - [Project Name].doc, .docx or .pdf

Attached Not available to date

**FEATURE**

Not having distribution assessed. Please go to item 24.

Having distribution assessed, please supply all documents below:

1. Distribution agreement or deal memo.  
    filename: Distribution Agreement - [Licensor] - [Project Name].doc, .docx or .pdf

Attached

1. Marketing plan (features). filename: Marketing Plan - [Project Name].doc, .docx or .pdf

Attached

1. Track record of the distributor. filename: Track record – [Distributor] - [Project Name].doc, .docx or .pdf

Attached

1. Track record of the Producer, Writer, Director.   
   filename: Track record – [Personnel]- [Project Name].doc, .docx or .pdf

Attached

1. Track record of the Heads of Departments.   
   filename: Track record – [Personnel]- [Project Name].doc, .docx or .pdf

Attached

1. Track record of the Cast. filename: Track record – [Personnel]- [Project Name].doc, .docx or .pdf

Attached

1. ROW sales agent agreement. filename: ROW Agreement - [Project Name].doc, .docx or .pdf

Attached

1. Any agreement with State or Federal agency or Australian film festival providing financial support to produce the film as a feature film.   
   filename: [Licensee] Agreement - [Project Name].doc, .docx or .pdf

Attached

**ALL APPLICATIONS**

1. A statutory declaration made by the producer to confirm that all information now being supplied to Screen Australia in relation to the application for a Provisional Certificate for the Producer Offset is accurate and that all information previously supplied to Screen Australia and which remains unchanged is also accurate. See the form of statutory declaration attached. filename: Statutory Declaration - [Project Name].pdf

Attached

|  |
| --- |
| STATUTORY DECLARATION |

I,     ,   
 (Name of Authorised signatory on behalf of the applicant company,

     ,

Role of Authorised Signature  
  
of  
  
     ,  
(address of Authorised signatory,)

do solemnly and sincerely declare on behalf of

(Name of applicant company)

that this Statutory Declaration is made for Rule 17 of the Producer Offset Rules 2007 and that the information contained in the application for a Provisional Certificate, and the documents attached to it, is correct and true in every particular and I make this solemn declaration by virtue of the *Statutory Declarations Act 1959*, and subject to the penalties provided by that Act for the making of false statements in statutory declarations, conscientiously believing the statements contained in this declaration to be true in every particular.

Signature of applicant

Declared at

On the       day of      , 20

Before me,

Signature

Name

(please print full name)

Qualification

Address

*Note: A penalty of imprisonment for four years applies to the offence of making a false statement in a Statutory Declaration.*

*A full list of prescribed persons before whom a Statutory Declaration may be made is available from the Department while the legislation governing this provision can be sourced online from the Federal Government’s legal information retrieval database at*

<http://www.ag.gov.au/Publications/Pages/Statutorydeclarationsignatorylist.aspx>