

NORTH CAROLINA FILM & ENTERTAINMENT GRANT

North Carolina offers as its film incentive a 25% rebate on qualified expenses and purchases made by productions while in-state. The rebate is funded through the North Carolina Film and Entertainment Grant, which currently is allocated \$31 million per fiscal year (July 1-June 30), with any unused funds carrying over from fiscal year to fiscal year.

The rebate, whose funding is now labeled recurring in the state budget, coupled with the recent elimination of the program's sunset date, demonstrates North Carolina's long-term commitment to the film and entertainment industry.

Per Project Cap

- \$12 million for TV series per season
- \$7 million for feature-length films (including made-for-TV movies)
- \$250,000 for commercials

Minimum Spend

- \$1 million per episode average for TV series
- \$3 million for feature-length films
- \$250,000 for commercials
- \$1 million for made-for-TV movies

Qualified Labor

First \$1 million of each resident and nonresident qualify.

Loan Out Withholding

4%

Qualifying Expenses

- Goods
- Services
- Compensation & Wages
- Fringes
- Per Diems
- Living Expenses & Stipends

Audit

North Carolina-licensed independent certified public accountant to perform audit at cost to the production

Important Links

Grant guidelines can be reviewed at https://www.filmnc.com/uploads/NCFilmGrantGuidelines_Rev031517.pdf

Complete NC Film Office's Intent to Film form at <http://www.filmnc.com/intent-to-film>

Complete NC Department of Commerce and Film and Entertainment grant at <http://www.nccommerce.com/film/incentives/film-entertainment-grant-application>

S 744 (SL 2014 – 100) Establishing Legislation

H 97 (SL 2015 – 241) Modification to Establishing Legislation

S 257 (SL 2017 – 57) Changes Funding To Recurring

S 582 (SL 2017 – 212) Eliminates Program's Sunset Date

S 99 (SL 2018 – 5) Changes Minimum Spend and Maximum Payout Amounts

Qualifying Productions

- Feature Films
- Direct-to-Video
- Episodic Television Series
- Movies of the Week
- Television Mini-Series
- Reality Television
- Commercials
- Documentaries
- Animation Productions
- Webisodes

Screen Credit

Acknowledgement of both North Carolina Film Office and the regional film office responsible for the geographic area where filming of the production occurred.

Annual Cap

\$31 million in recurring funds per fiscal year (NC fiscal year runs July 1-June 30)

Sunset Date

None (as of 10/9/17 via S 582 from SL 2017-212).

Application Process

Step 1: Complete the North Carolina Film Office's Intent to Film form.

Step 2: Complete North Carolina Department of Commerce Film and Entertainment grant application.

SOUTH CAROLINA FILM INCENTIVES

Employee Wage Rebate

A qualified production is eligible for a wage rebate up to:

- 25% for wages of residents
- 20% for wages of nonresidents

Requirements

Rebates for each qualified person:

- Wages must be subject to South Carolina withholding taxes.
- Wages must be less than **\$1 million per person** for each project.

Supplier Rebate

Up to 30% of qualifying goods and services purchased, rented or leased by the production company from a South Carolina supplier.

Wage and Supplier Rebates

To receive the wage and supplier rebates, a qualified production must spend \$1 million in South Carolina.

Tax Breaks

Pay no state sales/use and accommodations tax. You may also qualify for a 6 to 8.5% sales tax exemption on all purchases, rentals and leases. This is an exemption at the point of purchase. (Requires a \$250,000 spend)

Location Fees

No location fees are charged for state properties. (Requires a \$250,000 spend)

Cash Rebates

South Carolina's incentive is a cash rebate. Rebate checks are cut within 30 days of the production's final audit.

Eligible Productions

Features, TV pilots, TV series and loan out companies involved in the production are eligible; the production company must be approved to be eligible for the South Carolina Incentives.

Important Links

The South Carolina Motion Picture Act Policies and Procedures can be found at filmnc.com/incentives/policies