



Film Incentive Program Procedures

The Film Incentive Program (“Program”) of the Colorado Office of Film, Television, & Media (“Office”) offers a performance-based incentive that can rebate 20% of the qualified local expenditures incurred by a production company. To be eligible a Colorado production company must have qualified local expenditures of at least \$100,000. An out-of-state production company must have at least \$1 million in qualified local expenditures (the exception being television commercials and video game productions, which must have qualified local expenditures of \$250,000).

All production companies seeking to participate in the Program must submit, with all supporting documents, a Statement of Intent & Application for Conditional Approval to the Office prior to beginning work on the film in Colorado. Productions must be 100% funded and all submissions should be prepared to offer proof of funding.

Based on the information provided in the production company's application, the Office will make an initial determination of whether the production company will be eligible to receive a performance-based incentive. If a production is not selected for the Program, the production company will be notified in writing.

If a production company is eligible, the Office will determine the maximum rebate amount that can be reimbursed to the production company. Upon approval of the Colorado Economic Development Commission (EDC), the Office shall grant conditional written approval to the production company, and an incentive contract will be issued.

The amount of the rebate cannot exceed the unexpended amount of available funding provided by the Colorado legislature for this Program or the maximum amount initially determined by the Office, regardless of actual expenditures.

The production company must use the Declaration of Colorado Residency form during the course of production activities to maintain proper records of the percentage of Colorado residents employed on the production. In-state production activities must be made up of at least 50% Colorado residents.

Upon completion of production activities in Colorado, a production company that received conditional approval must submit a Film Incentive Proof of Performance. Additionally,

the production company must retain a Certified Public Accountant (CPA) to review and report in writing, and in accordance with professional standards, the accuracy of the financial documents that detail the expenses incurred in the course of the film production activities in Colorado and the figures reported in the Film Incentive Proof of Performance. This report must include verification of the production company's fulfillment of necessary Program requirements including employing a workforce made up of at least 50% Colorado residents and minimum qualified local expenditures (see Expectations for CPA Audit document for further details).

The production company also must certify in writing that the amount of their actual qualified local expenditures equals or exceeds the minimum total amount required to be eligible for the performance-based incentive. If, after review of the Film Incentive Proof of Performance and the CPA's written report, the Office determines that all requirements have been met, the Office will issue a rebate payment to the production company.