

# Guidance Note for “Section 481” Investment in Film

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*These Guidelines should be read in conjunction with Section 481 of the Taxes Consolidation Act 1997, as amended*

*This document is not a legal instrument. While every effort is made to ensure that the information given in this guide is accurate, responsibility cannot be accepted for any liability incurred or loss suffered as a consequence of relying on any matter published herein.*

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## 1. Introduction

Section 481 (s.481) of the Taxes Consolidation Act 1997 (TCA) provides for corporation tax (CT) relief for investment in films by companies. Further provisions are included in the Film Regulations 2015, (S.I. No. 4 of 2015) (The Regulations) made by the Revenue Commissioners, with the consent of the Ministers for Finance and for Arts, Heritage and the Gaeltacht on 12 January 2015. The relief is available to film producer companies provided certain conditions, as laid out in statute and regulations, and as specified in the film certificate, are met.

From 1 May 2016, the relief is given at 32% of the lowest of:

- a) eligible expenditure
- b) 80% of the total cost of production of the film
- c) €70,000,000

and may be claimed against a producer company's corporation tax liabilities. In the event that the relief due is greater than any tax due by a producer company in respect of a qualifying period (paragraph 5.3.4 refers), then a payment of the excess will be made by the Revenue Commissioners (Revenue).

The producer company and qualifying company must, therefore, have procedures in place to ensure compliance with these conditions. In particular, the producer company and qualifying company must fulfil certain obligations, including reporting requirements, summarised as follows:

- providing certain books of account and accounting records;
- notifying the Revenue Commissioners of certain key events; and
- furnishing a Compliance Report.

Payment of the relief can be made in full following completion of the film, or an advance of 90% of the relief due can be made during the course of the production subject to certain conditions. Details of the [payment conditions](#) are described below.

The purpose of this Guidance Note is to outline:

- how to apply for a certificate or letter of compliance;
- the information required and the evaluation criteria to be applied;
- how to obtain payment of the credit; and
- how to apply for advance approval.

A certificate is issued by the Revenue Commissioners but both the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs (the Minister) and Revenue have specific responsibilities in relation to the certification process. These are detailed at [Sections 4 and 5](#) respectively of this guidance.

The Minister has responsibility to ensure that it is appropriate for Revenue to consider the issuance of a certificate for a film, having regard to -

- the categories of film eligible for certification and

- the contribution a film will make to either or both the development of the film industry in the State and the promotion and expression of Irish culture.

Revenue has responsibility to ensure that all other aspects of the project, including the financial aspects, satisfy the requirements of the law. Revenue will not issue a certificate unless it has received an authorisation from the Minister and it is satisfied with the other aspects of the proposal. Notwithstanding the separate roles, there is a simplified application procedure so that the producer company has only to deal with one body.

The Application Form (included in Appendix I) incorporates both the requirements of the Minister and of Revenue. Consequently, application need be made only to Revenue. Revenue will consult with the Minister as required.

A certificate is issued on the basis of the information supplied during the application process. Any material change in the information supplied that may arise as the project progresses must be notified to and agreed by Revenue. If the information on which the certificate is based is incorrect, misleading or incomplete, or Revenue is not notified of material changes to the production, the certificate may be revoked.

Each certificate entitles the film producer company to a credit against their corporation tax liabilities. In the event that the credit exceeds their corporation tax liabilities for the qualifying period and the company has no other outstanding taxes the excess amount can be paid to the producer company.

Where the producer company has applied for payment by instalment Revenue will pay the first instalment to the film producer company no earlier than seven days after the date on which the certificate has been issued. Where the producer company has opted to claim the relief following submission of a compliance report, payment of any excess of credit over their corporation tax liabilities will be made no later than 30 days after submission of a satisfactory compliance report.

If Revenue refuses to issue a certificate the applicant has a right of appeal to the Appeal Commissioners and to the Courts.

## 2. Authorisation to producer companies to claim relief

The legislation permits producer companies to claim tax relief, following the submission of an application form for certification and supporting documentation by amending their corporation tax return upon receipt of certification from Revenue. Once the application is **properly** made and **before** the qualifying film is completed a certificate entitling the producer company to claim the relief is issued by Revenue.

To request certification the producer company must:

- complete the application form, available from Revenue at: <http://www.revenue.ie/en/tax/ct/film-relief.html> ; and
- attach the final signed, dated and witnessed versions of all the agreements relating to the production of the film and all of the other attachments listed at Appendix A of the application form.

An initial instalment amounting to 90% of the credit due can be paid to the producer company by Revenue during the course of production of the film, with the balance being paid following delivery and acceptance of the film. The conditions pertaining to the payment of instalments are detailed in the certificate issued by Revenue.

In order to claim payment of the first instalment, the producer company is required to satisfy Revenue that the balance of funding of the eligible expenditure has been lodged to the production account; the Irish Film Board has agreed to release its production funding; the Broadcasting Authority of Ireland has agreed to release its production funding; or arrangements have been put in place with an independent surety to repay the first instalment to Revenue in the event of a failure to comply with the conditions of the scheme. (Full details of the requirements are contained in paragraph 6.2 below).

Following delivery and acceptance of a qualifying film, a producer company can claim the second instalment of the relief, or the full amount of the relief where an initial instalment has not been claimed.

### 3. The Application Process

- 3.1 An application for a certificate must be made in the form prescribed by Revenue and contain such information as may be prescribed in Regulations. These requirements are incorporated in the Application Form and supporting documentation, as listed at Appendix A of the Application Form.

The certificate will be based on the information submitted and on the understanding that the proposals will not contravene any of the conditions for relief. Producer companies are advised to consult with Revenue about any unusual aspects of the production or the associated financing agreements early in the application process.

The application form and required attachments should be uploaded on Revenue's MyEnquiries system. Revenue has implemented a system to securely send and receive messages. We strongly recommend using the secure messaging system to communicate with us. Registration details can be found at:

<http://www.revenue.ie/en/online/myenquiries.html>

Note that Revenue will only communicate with you in writing via MyEnquiries or by post.

- 3.2 An application for certification must be made in advance of completion of a film.

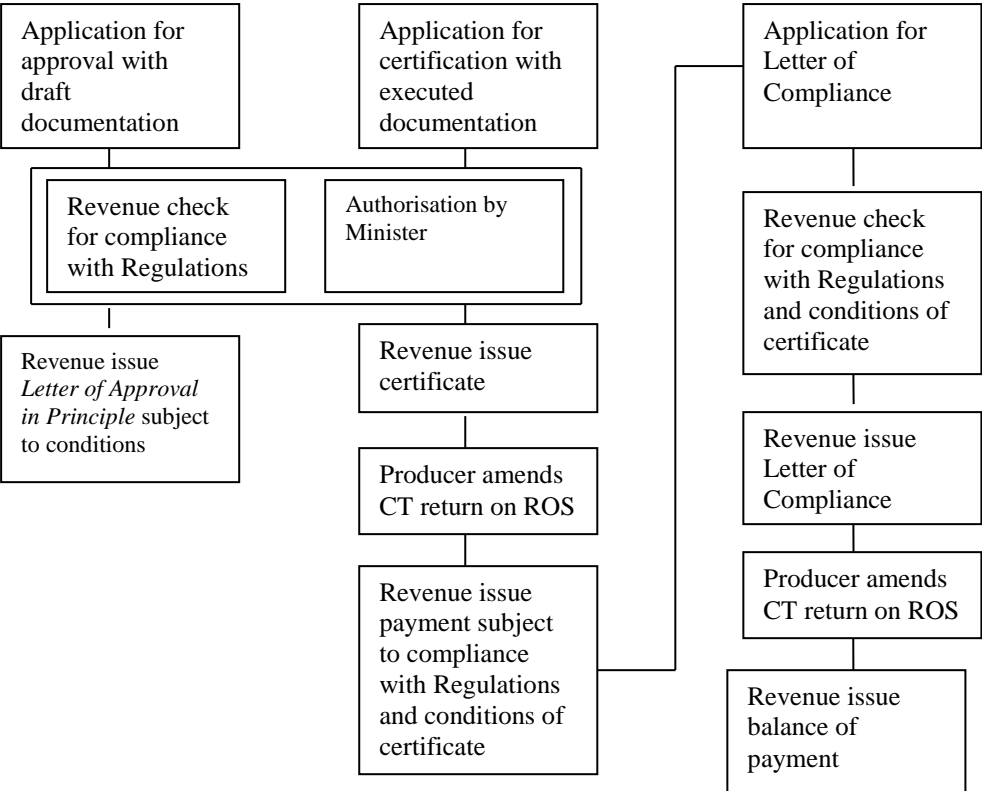
Following the issue of a certificate, an applicant must amend their corporation tax return for the previous year through the Revenue Online System (ROS) and any payment due will be transferred to their bank account no earlier than seven days after the issue date of the certificate.

[Sections 4 and 5](#) highlight the main issues to be considered before a certificate is issued.

- 3.3 Revenue recognises that film production projects can be complex and, particularly in the early stages, prior to financial closing, involve a degree of uncertainty. In order to facilitate the reduction of uncertainty for applicants in the initial stages of a project, Revenue may issue a *letter of approval in principle* to applicants in advance of formal certification.

Applications for approval in principle should be made by completing the application form in full and attaching all documentation required. Draft documentation will be acceptable at this stage of the process, but it is expected that these drafts should not differ significantly from the final executed documentation required for certification.

3.4 The following flowchart gives an overview of the application process



## **4. Specific Requirements of the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs**

### **4.1** Revenue may not issue a certificate in respect of a film unless they have received authorisation from the Minister.

The Minister, in considering whether to give Revenue an authorisation in relation to a film, will:

- examine the professional capability (creative and technical) of the producers and creative collaborators;
- examine the anticipated net contribution that the s.481 Scheme and other State Aid Schemes will make to the project; and
- consider those opportunities provided by the project for quality employment and training. A minimum of two trainees for each €355,000 of corporation tax credit claimed, up to a maximum of 8 trainees, must be employed on the project.

The decision on whether to authorise a film project will require a film to meet three of the following criteria and the producer should indicate their compliance with these criteria in the covering letter accompanying their application.

- The project is an effective stimulus to film making in Ireland and is of importance to the promotion, development and enhancement of creativity and the national culture through the medium of film, including, where applicable, the dialogue/ narration is wholly or partly in the Irish language or the production of a full Irish-language version of the film is included as part of the total budget for the film.
- The screenplay (or, in the case of a documentary film, the textual basis) from which the film is derived is mainly set in Ireland or elsewhere in the EEA.
- At least one of the principal characters (or documentary subjects) is connected with Irish or European culture.
- The storyline or underlying material of the film is a part of, or derived from, Irish or European culture and/or heritage; or, in the case of an animation film, the storyline clearly connects with the sensibilities of children in Ireland or elsewhere in the EEA.
- The screenplay (or textual basis) from which the film is derived is an adaptation of an original literary work.
- The storyline or underlying material of the film concerns art and/or an artist/artists.
- The storyline or underlying material of the film concerns historical figures or events.
- The storyline or underlying material of the film addresses actual, cultural, social or political issues relevant to the people of Ireland or elsewhere in the EEA; or, in the case of an animation film, addresses educational or social issues relevant to children in Ireland or elsewhere in the EEA.



- 4.2** The following types of film, produced on a commercial basis with a view to the realisation of profit and produced wholly or principally for exhibition to the public in cinemas or through broadcasting, are eligible for certification:
- Feature film,
  - Television drama,
  - Animation (whether computer generated or otherwise, but excluding computer games), or
  - Creative Documentary, where the project:
    - is based on an original theme, preferably demonstrated by a script or treatment the design and style of which bear the undeniable stamp of creative originality and personal perspective;
    - contains a certain “timeless” element so that there is no loss of interest when the event with which it may be linked has passed;
    - involves production arrangements which give evidence of, in particular, a substantial period of preparation and a significant period devoted to post-production; and
    - contains significant original filming and does not merely report information.
- 4.3** The following types of film are not eligible for certification:
- Films made for exhibition as an advertisement or advertising programme
  - Films comprising or substantially based on:
    - public or special performance(s) staged for filming or otherwise;
    - sporting event(s);
    - games or competitions;
    - current affairs/talk shows;
    - demonstration programmes for tasks, hobbies or projects;
    - review, magazine-style or lifestyle programmes;
    - unscripted or “reality” type programmes; or
    - product produced in-house by a broadcaster or for domestic consumption in one country.
- 4.4** The Minister has certain requirements in respect of the producer. These are:
- (a) A full producer of the project, credited in the main titles of the film must be based in Ireland and a producer company participating in the production must be registered in Ireland or have a permanent agency or branch operating in Ireland until all compliance terms and conditions as set out in the Section 481 certificate have been met in full. The Irish-based producer shall be responsible for compliance reporting.
- (b) The Irish Producer must be credited in the opening and/or main titles of the film and this credit should be not less than that of ‘producer’/‘co-producer’/‘executive producer’. A derogation may be sought from this condition in very limited circumstances; such as if the Irish part of the film consists exclusively of post-production or visual effects.
- (c) The condition in the Section 481 certificate referring to this requirement will read as follows: -
- “The Irish Producer’s name is to appear in the opening credits reflecting accurately the producer’s role, or exceptionally, in the main titles, as dictated by the dramatic requirements of the film”.*

## **5. Specific Requirements of the Revenue Commissioners**

### **5.1 General**

Revenue's responsibility is to ensure compliance with the requirements of the Taxes Consolidation Act 1997. In considering this, Revenue will examine the financial aspects of the proposal with regard to the legal, commercial and corporate arrangements for the production of the film. In particular, they will be concerned that the budget and financial structures are appropriate for the proposed project.

All aspects of the company's application will be examined including the required supporting documentation (as listed at Appendix A of the Application Form). In examining the application, Revenue may consult with any expert it considers appropriate as provided for under s.481(2B). In such circumstances, the normal obligations of Revenue as regards taxpayer confidentiality do not apply.

To consider an application Revenue will need a clear understanding of the proposal. In particular, it will need to know the various parties involved; the contractual relationships between them; the services they will provide; and how much each is investing in the project. Sufficient detail should be given in the budget or explanatory documentation to show how any significant budgeted amounts will be spent, the recipients of the payments and the purpose for which they are paid.

The producer company can ensure that processing is not delayed unnecessarily and that queries are kept to a minimum by giving an appropriate level of information and by explaining any unusual feature or issues that are likely to give rise to queries. For example, the amount under a particular heading on the budget may be out of line with the industry norm for a particular reason. Giving the explanation up-front will minimise the need for correspondence on the issue.

Applicants should be aware that a failure to provide all of the information required, in full, may lead to the rejection of an application. Correspondence is dealt with in rotation and Revenue will strive to deal with all correspondence within 30 days.

### **5.2 Exclusions**

Revenue shall not issue a certificate if:

- a) it has not been given authorisation by the Minister to do so,
- b) the producer company, qualifying company, any company controlled by the producer company and each person who is either the beneficial owner of, or able directly or indirectly to control more than 15% of the ordinary share capital of the producer company or the qualifying company is not fully tax compliant,
- c) the eligible expenditure amount is less than €125,000, or
- d) the total cost of the production of the film is less than €250,000.

### 5.3 Definitions and explanations

Reference is made in the following pages to various definitions contained in s.481 or in the Regulations, as well as in this Guidance Note. These are:

#### 5.3.1 Producer Company

The applicant must be a producer company which complies with all of the following requirements:

- a) it is resident in the State or an EEA State other than the State and carries on business in the State through a branch or agency;
- b) it carries on a trade of producing films on a commercial basis with a view to the realisation of profit;
- c) the films are made for exhibition to the public in cinemas or by means of broadcast;
- d) it cannot be a broadcaster or a company whose business consists wholly or mainly of transmitting films on the internet, nor can it be connected\* to a broadcaster or to a company whose business, taken together with all companies to which it is connected, consist wholly or mainly of transmitting films on the internet;
- e) it holds all of the shares in the qualifying company (see paragraph 5.3.2 below); and
- f) it has made the required CT1 return to the Collector-General on or before the specified return date\*\*.

\*Connected companies are parent/subsidiary companies or those that are controlled by the same persons or their relatives (the term relatives generally includes spouses, brothers, sisters, ancestors and lineal descendants – for full details see Section 10 of the TCA).

\*\* The producer company is required to have made the CT1 return for the accounting period immediately preceding the application on time.

A failure by such a company to make the required returns by the due date will render them ineligible to apply for relief under the scheme. In effect, this means that prior to applying for the relief a company **must** have made **the required return on or before the specified return date** in order to be considered to be a producer company.

For example, a company applying for the relief on 1<sup>st</sup> March 2016 with an accounting year end of 31<sup>st</sup> December 2014 will have had to have made their annual Corporation Tax return by 23<sup>rd</sup> September 2015 and any corporation tax return due for filing from 1<sup>st</sup> January 2015 must be filed on or before the specified return date for that return.

The producer company must enter into a contract with the qualifying company in relation to the production of the qualifying film.

#### 5.3.2 Qualifying Company

This is a special purpose production company which complies with the following requirements:

- a) it is incorporated and resident in the State or is carrying on a trade in the State through a branch or agency;
- b) it exists solely for the purposes of the production of only one qualifying film; and
- c) it does not contain in its name the words “Ireland”, “Irish”, “Éireann”, “Éire” or “National”, where the company name in question is either registered under either or both

the Companies Act 2014, and the Registration of Business Names Act, 1963, or registered under the law of the territory in which it is incorporated.

### **5.3.3 Qualifying Film**

A qualifying film is a film for which Revenue have issued a Certificate under s.481. Following receipt of a s.481 Certificate from Revenue, an applicant can amend their corporation tax return on ROS to apply for a payment to be made to their bank account by Revenue.

### **5.3.4 Qualifying Period**

As the scheme involves the payment of credits against a company's corporation tax it can only be offset (paid) against the corporation tax of a period that has been completed. Taxpayers are required to make annual returns nine months after the end of their 12 month accounting year.

A qualifying period is the accounting period of the producer company in respect of which the specified corporation tax return date for that period immediately precedes the date of application.

For example, a producer company with an accounting period ending on 31<sup>st</sup> December 2013 will have a corporation tax return date of 23<sup>rd</sup> September 2014 and so, will be eligible to claim the relief for applications made in 2015.

### **5.3.5 Eligible Expenditure**

The term eligible expenditure is used extensively throughout this Guidance Note and is to be understood as meaning collectively, expenditure on both "eligible goods, services and facilities" (as defined in the Regulations) and "eligible individual(s)" as defined in s.481.

The amount paid by the qualifying company on the employment of eligible individuals or on the purchase of qualifying goods, services and facilities in accordance with the Regulations, must equal or exceed the amount specified in the certificate. Accordingly the qualifying company must verify the amount of eligible expenditure on the employment of individuals, by the company, for work done in the State and also on qualifying goods, services and facilities provided in the State.

It is the responsibility of the qualifying company to ensure that all amounts recorded as eligible expenditure are correctly stated.

### **5.3.6 Eligible Goods, Services and Facilities**

Eligible goods, services and facilities are defined in the Regulations and encompass expenditure by the qualifying company on goods, services and facilities purchased from a business, whether a company or sole trader, in circumstances where:

- the business operates from a fixed place of business in the State, and
- any goods supplied or used are supplied from normal trading stock and any equipment or facilities used are part of the assets normally employed in the business. In such

circumstances the goods supplied or the equipment used would be part of the business's own resources.

The goods supplied or equipment used by a supplier may have originally been sourced abroad. However, where such goods or equipment are part of the stock-in-trade of or assets used by a person with a fixed place of business in the State, then the service or goods supplied will constitute eligible expenditure.

Where the provision of a service or facilities by a person to the qualifying company is sub-contracted to another person, expenditure by the qualifying company will only qualify as eligible expenditure if the person by whom the work is ultimately carried out has a fixed place of business in the State and provides the goods, service or facilities from their own resources. Similarly, if a person arranges for another person to provide the service, that other person must also satisfy the requirements relating to the provision of eligible goods and services.

### **5.3.7 Eligible Individual**

“Eligible individual” means an individual who is employed by a qualifying company for the purposes of the production of a qualifying film.

Where the qualifying company employs an eligible individual and pays that individual directly in respect of work carried on in the State, on the production of the qualifying film such a payment will qualify as eligible expenditure. Similarly, where the qualifying company makes a direct payment to a self employed individual and that individual provides only labour, such expenditure will also be eligible expenditure, in so far as it relates to activities performed in the State. Where however, a person provides goods, services or facilities, the person must operate from a fixed place of business, in the State.

Payments made to artistes who are not tax resident in the European Economic Area (EEA) are subject to withholding tax – refer to Section 529B of TCA.

### **5.3.8 Total Cost of Production**

This term is relevant for the purposes of calculating the amount of s.481 relief to which a company may be entitled.

The total cost of production includes all expenditure necessary to produce the film from the development phase to post-production including the cost of providing an archive print. The following are not included:

- costs associated with the distribution or promotion of the film. Electronic Press Kit (EPK) and website costs are not considered to be eligible expenditure;
- costs arising after delivery of the materials contracted for with the relevant distributor or broadcaster;
- costs of organising or providing pre-sales monies;
- costs of acquiring rights other than those necessary for the production of the film;
- expenditure on capital assets used in the production of a film which are not used up in that process;

- amounts that are paid out of, are dependent on, or arise from rights in the receipts, earnings or profits of the film; or
- fees or other payments deferred unless the payment of such sums is made no later than four months after the first occasion on which the completed film is delivered to any financier or distributor thereof and accepted by them.

## **5.4 Funding of the Project**

The following funding considerations are relevant to the certification of a project under s.481.

### **5.4.1 The non-section 481 funding**

Letters of undertaking from all those contributing the non-s.481 funding must be provided, with the application for a Certificate. These letters must indicate the amount of each contribution and when the funding will be made available to the producer company or another entity participating in the production of the film (for example, a co-producer). The funding must be made available to the company on terms whereby it will not be repaid until the film has been delivered and accepted. The non-s.481 money must be made available by way of a cash contribution, for example by way of a loan or subscription for shares or other cash investment. It is not acceptable to provide the non-s.481 amounts in non-cash form by, for example, deferring fees.

### **5.4.2 Co-productions**

If the co-production is an official co-production, evidence of application for approval from each of the national competent authorities should be submitted with the application. The actual letters of approval from each of the national competent authorities should be submitted once these become available.

Where the film is co-financed by the Irish Film Board, or where a Completion Bond exists, evidence of this should be submitted with the application.

### **5.4.3 The section 481 relief**

The applicant must state the amount of s.481 relief it is proposed to claim. That amount will be an amount equal to 32% of the lower of :

- (1) eligible expenditure
- (2) 80% of the total cost of production for all budgets, or
- (3) €70,000,000

### **5.4.4 State Aid**

The cumulation of State Aid in principle is limited to 50% of the production budget of the film, with a view to stimulating normal commercial initiatives. The aid intensity for cross-border productions funded by more than one Member State and involving producers from more than one Member State may be up to 60% of the production budget.

Difficult audiovisual works and co-productions involving countries from the DAC List of the OECD are excluded from these limits. Films whose sole original version is in an official

language of a Member State with a limited territory, population or language area may be regarded as difficult audiovisual works in this context.

Difficult audiovisual works may include short films, films by first-time and second-time directors, documentaries, or low budget or otherwise commercially difficult works.

In determining whether the maximum aid intensity is respected, the total amount of public support measures of Member States for the aided activity or project shall be taken into account, regardless of whether that support is financed from local, regional, national or Union sources. However, funds awarded directly by EU programmes like MEDIA<sup>1</sup>, without the involvement of Member States in the award decision, are not State resources. Therefore, their assistance does not count for the purposes of respecting the aid ceilings.

Additionally, the European Commission have advised that funding provided by a Public Service Broadcaster is considered to be financing by a market participant (no matter where it gets its funds from) for the purpose of ensuring input for its programming and does not count as State Aid.

## **5.5 Budget**

The budget for the film should be submitted in “Universal” format or similar. Both the top sheet (summary budget, see Regulation No. 2) and the detailed budget are required. In addition, a breakdown of the total cost of production as between eligible expenditure and non-eligible expenditure should be given. In the case of a co-production, details should be given of the particular items of expenditure to be funded by each co-producer.

It is important not to overestimate the level of eligible expenditure as this will impact on the entitlement to the relief should the outturn not reach the level estimated.

Revenue recognises that in the course of some productions there may be material variations in budgeted eligible expenditure. In those circumstances Revenue may issue supplementary certificates on foot of application by the producer company. Upon receipt of a supplementary certificate the producer company must amend their corporation tax return on ROS to reflect the appropriate adjustment (whether upwards or downwards) in the amount of the relief properly due.

In those circumstances where there is an underspend of eligible expenditure giving rise to a situation whereby the amount of relief due in total would be less than the initial instalment paid, the producer company must amend their corporation tax return on ROS (as provided above) and repay to Revenue such an amount so that the net receipt of the initial instalment remains no more than 90% of the relief due.

The legislation permits Revenue to refuse to issue a certificate if it is not satisfied with any aspect of the company’s proposal. In relation to the budget a certificate may be refused, for example if Revenue has reason to believe that the budget, or any particular item of proposed expenditure in the budget, is inflated.

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<sup>1</sup> [http://eacea.ec.europa.eu/media/index\\_en.php](http://eacea.ec.europa.eu/media/index_en.php)

## **5.6 Financial Arrangements with Countries other than EU/Treaty Countries**

S.481(2C)(b) provides that a company shall not be a qualifying company if the financial arrangements that the company enters into in relation to the qualifying film are -

- (i) financial arrangements of any type with a person resident, registered or operating in a territory other than:
  - (I) a Member State of the European Union, or
  - (II) a territory with the government of which, arrangements having the force of law by virtue of Section 826(1)(a) (Double Taxation Treaty) have been made,
- or
- (ii) financial arrangements under which funds are channelled, directly or indirectly, to, or through, a territory other than a territory referred to in clause (I) or (II) of subparagraph (i).

However, Revenue may approve certain financial arrangements involving territories outside the EU with which Ireland does not have a double taxation treaty, in limited circumstances. The arrangements involving such a territory must relate to an investment in a qualifying film and/or the filming of part of a film in the territory. Requests for approval must be made before the arrangements are effected and Revenue must be satisfied with the arrangements and the ability of the qualifying company to provide records.

Revenue may specify a condition in any film certificates issued by it in relation to financial arrangements approved by them.

In addition, in considering whether to grant an approval under this paragraph in relation to financial arrangements, Revenue may seek any information it considers appropriate in relation to the arrangements or in relation to any person who is, directly or indirectly, a party to the arrangements.

Where Revenue has approved financial arrangements in accordance with this paragraph, no amount of money expended, either directly or indirectly, as part of the arrangements may be regarded as an amount of money expended on either the employment of eligible individuals or on the provision of eligible goods, services and facilities.

## **5.7 How the project is structured**

Simple structures provide the most transparent mechanism for the delivery of the project. Complicated structures involving a large number of companies or other entities for the production, financing or distribution of a film may cause difficulties for Revenue in understanding the financial aspects of the project. In examining structures of this nature, Revenue will have to be satisfied as to the commercial rationale for the structure. The applicant will also have to demonstrate that the structure will not hinder Revenue in verifying compliance with the conditions for granting relief as set out in the law.



## **6. Payment of the Credit**

The issue of a certificate by Revenue will entitle the producer company to claim a credit against their corporation tax liability.

Payment of the credit, or a portion thereof, may be made in accordance with the Regulations and the conditions of the certificate, as follows:

### **6.1 Payment of the credit following completion of the film**

On completion of the film and submission of a compliance report in accordance with Regulation 12 the specified amount may be paid within 30 days after the date of provision of that report, subject to tax compliance and the other provisions of the legislation and Regulations.

A compliance report will not be considered to be provided to Revenue until Revenue has satisfied itself that it is complete and accurate.

### **6.2 Payment of the credit in instalments**

The credit may be paid to the producer company in two instalments as follows:

- (1) The first instalment being 90% of the total credit due, and
- (2) The second instalment being the balance of the credit due, to be paid to the producer company within 30 days after the date on which a compliance report has been provided to Revenue.

In order to claim the first instalment the producer company must submit evidence that:

- (a) - the financing agreements have been executed;  
- the conditions of those agreements for funding to commence have been satisfied; and  
- an amount not less than 68% of the amount on which the Film Corporation Tax Credit is based has been lodged to the qualifying company's bank account on terms whereby such amount is to be expended by the qualifying company on the production of the film;

This condition can be satisfied by the production of letters from independent solicitors and accountants that are members of a professional accountancy body to the effect that the requirements have been met. Examples of letters that are considered suitable for this purpose are attached at Appendices IV and V.

- (b) the Irish Film Board has completed its due diligence and agreed to release its production funding to the producer company;
- (c) the Broadcasting Authority of Ireland has completed its due diligence and agreed to release its funding to the producer company;

or

- (d) the producer company has provided a guarantee, surety bond or similar instrument confirming their liability to repay the first instalment in the event of a failure by the producer company to comply with the relevant provisions of Section 481 of the Act.

In addition to the evidence, certificate or instrument required under paragraph (2), the producer company shall also submit such additional information as Revenue may reasonably require.

### **6.3 Cessation of trade or disposal of shares**

A producer company must continue to exist for a period of 12 months after the date of provision of the compliance report to Revenue.

A producer company must continue to hold its shares in the qualifying company for a minimum of 12 months after the date of provision of the compliance report to Revenue.

### **6.4 Approval in Principle**

Revenue appreciates that the organisation of the type of projects eligible for relief under s.481 can be complex, involving a number of parties with attendant uncertainty, particularly at the initial stages of a project.

In order to facilitate the reduction of uncertainty for applicants Revenue may, following consultation with the Minister, issue a notice in writing to an applicant in advance of the issue of a certificate following the receipt of a properly completed application form and required supporting documentation. This notice may specify conditions to be complied with and indicate the amount of s.481 relief to be granted if all the conditions of s.481 are met and the project is completed in the manner described by the applicant.

Revenue appreciates that in the early stages of a project, agreements may not be fully executed, and is prepared to accept draft agreements as evidence of the intentions of applicants in relation to a project. Copies of fully executed agreements will be required prior to the issue of a certificate.

The issue of such a notice in writing by Revenue is no guarantee that a certificate will subsequently issue or that further questions will not arise when the application for a certificate is processed.

### **6.5 Updating your ROS Return**

Filing or amending a corporation tax return or making a payment through ROS is linked to your ROS digital cert, which is your digital signature. The same ROS cert that was used for filing the return must be used for amending a return.

In the event that the person who made the relevant corporation tax return is no longer the tax agent for the applicant company, you can contact Revenue to make alternative arrangements.

## **7. Tax Compliance**

Revenue will not issue a certificate unless the producer company, qualifying company, any companies controlled by the producer company and each person who is the beneficial owner of, or able to control more than 15% of the ordinary share capital of the producer company is tax compliant.

**All** returns must be filed, and remittances due must be made, to be considered to be tax compliant.

Copies of current tax clearance certificates for all relevant parties should be submitted along with applications.

## **8. Withdrawal of the relief**

The legislation provides that where the producer company or qualifying company fails to comply with any of the provisions of s.481, the Regulations or any of the conditions specified in a certificate, Revenue may withdraw the relief.

Where a credit has been paid to a producer company by Revenue and it is subsequently found that all or part of the amount is not as authorised by s.481, then the company, any director of the company, or any person who is the beneficial owner or able to control more than 15% of the ordinary share capital of the producer company or qualifying company may be charged to tax in an amount equivalent to the unauthorised payment made.

As with all areas of tax law, Revenue will address issues of non-compliance in a proportionate manner appropriate to the degree of default or non-compliance involved.

## 9. Books of Account and Accounting Records

S.481(2C)(c) TCA provides that a company will not be regarded as a producer company for the purposes of s.481:

*“unless the company provides, when requested to do so by Revenue, for the purposes of verifying compliance with the provisions governing the relief or with any condition specified in a Certificate issued by Revenue, evidence to vouch each item of expenditure in the State or elsewhere on the production and distribution of the qualifying film, whether expended by the producer company, the qualifying company or by any other person engaged, directly or indirectly, by the producer company or the qualifying company to provide goods, services or facilities in relation to such production or distribution and, in particular, such evidence shall include:*

- (i) records required to be kept or retained by the producer company or qualifying company by virtue of Section 886; and*
- (ii) records, in relation to the production and distribution of the qualifying film, required to be kept or retained by that other person by virtue of Section 886, or which would be so required if that other person were subject to the provisions of that section”.*

### 9.1 Records a producer company and qualifying company need to keep

The producer company and qualifying company must maintain appropriate records, sufficient to vouch expenditure on the film. A breakdown between eligible and non-eligible expenditure will be required. The financial records are the records a company is required to keep under s.886 TCA, and include:

- the books of first entry, including a cash receipts book, purchases day book, cheque payments book, creditors ledger and petty cash book,
- trial balance, all ledgers and journals to which all transactions are posted,
- the back-up documentation from which the books of first entry were completed, including:
  - suppliers’ invoices, credit notes, statements, and delivery notes,
  - cheque stubs and petty cash vouchers, and
  - bank statements and correspondence including those items verifying lodgements into bank accounts and transfers out of such accounts,
- auditors’ linking documents including documents drawn up in the making up of accounts and showing details of the calculations linking the records to the accounts.

### 9.2 Obligation to Produce the Books and Records of Certain persons

Revenue may, in exceptional circumstances, require the producer company or qualifying company to produce sufficient appropriate evidence to vouch each item of expenditure by third parties engaged, directly or indirectly, to provide goods, services or facilities in relation

to the production or distribution of the film. The records will include those listed at 9.1 above. The records may be required in respect of expenditure in the State or elsewhere. Producer companies and qualifying companies should ensure that procedures are in place, to ensure that such evidence is available, if so required by Revenue.

Generally speaking, producer companies and qualifying companies will be required to produce third party records only in exceptional circumstances. Revenue's primary focus is ensuring that the appropriate amount is spent on eligible items. To ensure that the corporation tax credit paid represents the correct percentage of the total cost of production, verification of the overall cost of a film will also be required.

In the situation where the qualifying company makes the film itself and engages established suppliers to provide specific services, for example, catering, Revenue will not typically look beyond the records held by the qualifying company (e.g. invoices). If exceptionally, a qualifying company were to pay over a substantial portion of the budget to another company to provide services in connection with the film it might be necessary for the qualifying company to produce records from the other company. It is not possible to provide a complete list of the circumstances where this provision would be used, however, the most likely circumstances would include the following.

- A supplier providing a range of services which would, more usually, be provided by a number of suppliers, and the amounts paid to that supplier are significant, in the context of expenditure on goods, services or facilities.
- The qualifying company engaging another company, as part of its eligible expenditure to make the film.
- The qualifying company being responsible for producing only one aspect of a qualifying film. Where the qualifying company is involved only in post-production, it may not have the facilities within its own resources to provide such a service. In such an instance, the greater part of the qualifying company's budget may be paid to a single company. Revenue may, in such circumstances, require a qualifying company to produce the records of the post-production company.

Production companies are advised to bring any unusual expense items or unusual financial structures to the attention of Revenue and to clarify the reasons for those arrangements.

## 10. Notification at key stages

The producer company must report the following to Revenue:

- Date of the first incurring of eligible expenditure following the date of application for certification. This is a statutory requirement and must be notified to Revenue in writing within seven days.
- Any change of substance in the information supplied to Revenue and on which the certificate is based that arises during the project, must be notified in writing to Revenue, in advance of the proposed change being effected or as soon as the change comes to notice.
- Within four months of the completion of production of a qualifying film a producer company must:
  - (a) notify Revenue of the date of completion, and
  - (b) provide a DVD copy of the film to Revenue and two copies to the Minister.

It may be the case that copies of the film may be required in formats other than DVD and, in such instances, the format(s) required will be specified in the certificate.

- Within four months of the delivery and acceptance of a qualifying film, the producer company must provide a compliance report in relation to the film to Revenue.

This report must be made in the form detailed in the Regulations; include all required attachments; and be sent by registered post or other form of recorded delivery as required by Regulation 12.

A failure to comply with this requirement may lead to an applicant not being regarded as a producer company with the consequent withdrawal of any relief granted.

A failure to provide a compliance report within the required timescale renders the directors and secretary of the producer company liable to penalties as provided for in s.1052 TCA.

## **11. Compliance Report**

### **11.1 General Requirements**

The Compliance Report is attached at Appendix V.

The company to whom a certificate was issued must submit to Revenue a compliance report containing the attachments referred to therein. This information will be available to Revenue in connection with any review of events, to evaluate whether or not the company has fulfilled its obligations. Particular attention should be paid to ensure that:

- the amount actually spent on the total cost of production is correctly stated;
- the amount of the corporation tax credit claimed under s.481, does not exceed the percentage of the amount spent on the total cost of production, as specified on the certificate;
- all the documentation and final signed, dated and witnessed versions of all agreements, required to be submitted, by the company, as part of the application for certification, have been submitted;
- all the conditions contained in the certificate issued to the producer company under s.481 of the Act, have been complied with;
- the sole activity of the qualifying company has been the production of the qualifying film; and
- both the producer company and qualifying company have maintained records, in accordance with the Regulations.

### **11.2 Auditors' Report (Schedule 4(3) of Film Regulations 2015)**

A compliance report submitted by the producer company must be accompanied by a report from the qualifying company's auditors. The auditor will carry out an examination of the qualifying company's financial statements, records, transactions, and operations, with a view to providing specific confirmations in relation to any conditions stipulated on the Certificate issued by Revenue. Any company in receipt of a certificate must have in place a system of controls and procedures which will establish and confirm:

1. whether work on the production of the qualifying film was performed, as required, and
2. the financial matters, referred to at 11.1.

From an examination of the financial records and control system of the qualifying company, the auditors' report must include information as set out below.

**11.2.1** In general, the auditor's report should state that following examination the auditor is in a position to confirm to Revenue that:

- available funding, from all sources, did not exceed the amount necessary to fund the total cost of production of the film, and



- eligible expenditure equals or exceeds the amount specified in the certificate issued under s.481.

To verify eligible expenditure, the auditor will need to:

- identify from the financial records, the amounts that have been recorded therein as expenditure on eligible goods and services;
- document the procedures and controls used by the qualifying company and establish whether the amounts recorded were actually spent on eligible persons or eligible goods, services or facilities. This includes procedures to establish:
  - if the supplier sub-contracted the services;
  - where services were sub-contracted, that the person to whom the service was sub-contracted is a relevant person as defined in Regulation 15; and
  - verify supplier invoices and authorisations for payment.
- test the procedures by conducting checks of transactions or events, including the examination of invoices and other related documents, to verify that control procedures were performed, by whom they were performed and to establish what exceptions, if any, were revealed by the operation of the control procedure.
- determine the effectiveness of the procedures and report any deviations in the operation of a relevant control which could, in their opinion, give rise to a material misstatement of eligible expenditure.

**11.2.2** Where part of the cost of production is spent by a third party, the auditor may rely on the following confirmations, in respect of expenditure incurred by that party:

1. where the film is being produced under the European Convention on Cinematographic Co-Production or a Bilateral Co-Production Treaty<sup>2</sup>, a sign-off letter from the relevant authorities in the co-production authority territory, together with the audit report on which this was based, will be acceptable to the Revenue Commissioners.
2. where the film is not an official co-production under the European Convention or a Bilateral Co-Production Treaty, a report from the auditors in the relevant territory certifying the expenditure in that territory.
3. in respect of major film studios, a certificate from a duly authorised financial officer of the studio as to expenditure outside the State in respect of a film produced in association with the studio. (Revenue reserves the right to independently seek verification of such amounts.)
4. in any other case, a certificate from the third party's auditors, in respect of the amount
5. spent by that party on the production of the film.

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<sup>2</sup> <https://www.coe.int/en/web/conventions/full-list/-/conventions/treaty/147>

- 11.2.3** Details of the amount of money expended directly in the State on the employment of eligible individuals and on the provision of eligible goods, services and facilities, itemised in accordance with the top sheet production expenditure summary.
- 11.2.4** Details of the amount of the entire production expenditure on the qualifying film, itemised in accordance with the top sheet production expenditure summary.
- 11.2.5** Details of any outstanding creditors or any other amounts due by the qualifying company at the date of the auditors' report.
- 11.2.6** In a case where a payment of an amount equal to at least 30% of the CT credit claimed was made by the qualifying company to any person or to a group of 2 or more persons, who are connected (within the meaning of s.10 of the Act) with each other, details of:
- 1) the identity of that person or persons;
  - 2) the nature of the goods, services or facilities provided by that person or persons to the qualifying company; and
  - 3) the amount or amounts paid to that person or persons.

The Auditor must obtain confirmation from the supplier's auditors, that the supplier is a relevant person and that goods, services or facilities provided to the qualifying company constitute eligible expenditure, in accordance with the Regulations.

- 11.2.7** Details of any foreign currency rates used.
- 11.2.8** Details of any related party transactions in accordance with generally accepted accounting principles.
- 11.2.9** A statement that no significant relevant events have occurred since the date of completion of production of the film, which would alter to any material extent the figures or confirmations contained therein.
- 11.2.10** A statement confirming the date upon which the completed qualifying film is first delivered to any financier or distributor of the qualifying film.

### **11.3 Report on Financial Statements**

Following the examination outlined above, the auditor must report on whether the financial statements in respect of the qualifying film, prepared by the qualifying company, which must include separate "top sheet" production summaries detailing:

- (i) eligible expenditure, as defined in the certificate;
- (ii) expenditure on the production of the qualifying film, which must relate line by line to the "top-sheet" production budget summary as furnished with the application for certification,

are fairly stated.

### **11.4 Additional Information**

In addition, the auditors report must include the following:

- Cost of production accounts.
- Report from the company's auditor on the cost of production accounts.
- Report of the Directors.
- Notes to the accounts to include the following:
  - Creditors, accruals and estimates.
  - Exceptionally material contractors
  - Foreign Currency rates used
  - Total costs of production reconciliation to total budget
  - Disclosure of related party transactions in accordance with the relevant accounting standards governing the preparation of the accounts.
  - Confirmation that there are no significant events since the date of the production accounts, which would alter, to any material extent, the figures or confirmations contained in this report

**Appendix I      Application form for certification**

## **Appendix II      How to complete the application form**

### **Cover Sheet**

Indicate whether you are applying for advance approval in principle or certification by ticking the appropriate box.

There is no legislative requirement for applicants to seek advance approval, but Revenue are cognisant of the fact that letters of advance approval in principle may be of assistance to applicants who are seeking funding from other parties and are willing to consider applications made in advance of the financial closing of projects. Letters of advance approval in principle may be issued based upon information provided by the applicants and subject to such conditions as specified by Revenue.

It is important to note that where an application is being made for certification that the application form must be completed in full and accompanied by all requested documentation. Any application form submitted that is not fully completed or accompanied by the required documentation will not be considered to be a full application and will not be processed. Where final or executed documents are requested, Revenue will not accept draft documents.

#### **1. Producer Company**

All information requested must be submitted.

Revenue have, under international treaties, certain obligations to share taxpayer information with other jurisdictions and so, in the case of persons who are not tax resident in the State, their country of tax residence must be stated.

In the case of co-productions, similar information must be provided in relation to the co-producer company, along with a statement of the amount of funding that each co-producer will contribute to the project.

The bank account details provided should be those of the account to which you wish any corporation tax film credits paid.

You should note that Revenue's systems only allow for one bank account under each tax head.

#### **2. Qualifying Company**

All information requested must be submitted.

Revenue have, under international treaties, certain obligations to share taxpayer information with other jurisdictions and so, in the case of persons who are not tax resident in the State, their country of tax residence must be stated.

#### **3. Category of film / TV production**

You should tick the box relating to the appropriate category.

#### **4. Key Personnel**

All information requested must be submitted.

Total remuneration, including pay and benefits-in-kind, including per diems and other emoluments must be stated for each of the key personnel.

#### **5. Parties to the Production**

Details should be provided of the parties involved in the project.

In particular, the person to whom the completed film is to be delivered, those providing post-production and other services and providers of finance should be identified.

#### **6. Production Budget**

State the total global budget.

#### **7. Amount for which Section 481 certification is sought**

State the amount and percentage of the total global budget against which the credit is sought.

Note that the maximum amount against which the relief can be claimed is the lower of:

- a) the eligible expenditure amount
- b) 80% of the total cost of production of the film, or
- c) €70,000,000

#### **8. Eligible expenditure in the State:**

State the total expenditure in the State on the employment of eligible individuals and on goods, services and facilities (see also Section 4, above).

#### **9. Amount and sources of non-Section 481 funding**

List all sources of non-S.481 funding, indicating the form of finance (e.g. equity, licence fee etc.) and the date when it will be made available to the production company.

#### **10. Completion Bond**

State the total amount of a completion bond and details of the provider, if any.

#### **11. Contingency Allowance**

State the total amount provided for contingencies, if any.

#### **12. Details of other EU/State Aids**

List all sources of non-s.481 State Aid, giving details of the funding body and amount provided.

### **13. Crew and Cast Numbers**

Provide details of the total numbers of personnel to be employed on the film in the specified categories and giving details of their tax residence.

### **14. Trainees**

Provide details of the number of trainees and their areas of employment. A minimum of two trainees for each €355,000 of corporation tax credit claimed, up to a maximum of 8 trainees, must be employed on the project.

### **Declaration**

The declaration must be made by a director of the producer company.

### **Other information to accompany an application for certification:**

#### **Required Attachments, Appendix A**

##### **Tab A: Covering letter.**

This should give an overview of the proposal and in particular, should address the contribution which the project would make to the creation of an indigenous film industry and to the promotion, development and enhancement of the national culture through the medium of film. It should clearly detail which of the criteria required by the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs, as described in Section 4.1 of the Guidance Note, it complies with.

If an applicant wishes to apply for a derogation from the State-Aid funding limit, this should be stated in the covering letter, along with supporting information.

##### **Tab B: Track Record**

The CV or a description of the track record, especially artistic achievements should be provided for each of the producers, directors and writers.

##### **Tab C: Synopsis**

A synopsis of the film should be provided.

##### **Tab D: Completed screenplay**

A copy of the completed screenplay, sample television scripts or storyboard.

##### **Tab E: Production schedule**

This should give details of the dates on which activity is scheduled to take place and should, as a minimum, give details of the pre-production, production and post-production phases.

It should correspond with information contained in the Budget and Person Days Schedule.

#### **Tab F: Rights**

Fully executed copies of the Screenplay Agreement, Writer's Agreement and Option Agreement, as appropriate, are required. These documents should clearly show that the qualifying company has the rights to make the film and indicate how much is to be paid for the acquisition of those rights.

It should be noted that the cost of acquiring rights, other than those necessary for the production of the film, are not considered to be eligible costs.

#### **Tab G: Production, Financing and Distribution Agreement**

Fully executed copies of the Production, Financing and Distribution Agreements, as appropriate, are required.

These documents should outline and define the role of the qualifying company in terms of creative input, production management, financial and legal structures, participation in the project and nominated producer for the project; and agreements with any other parties to the production outlining their specific role in relation to the production and financing of the film.

It is important to note that copies of draft agreements will be considered acceptable only where approval in principle is being sought.

#### **Tab H: Production Budgets**

Detailed, itemised and separate Production Budgets (top copy and breakdown) for

- (a) Global expenditure
- (b) Eligible expenditure in the State

#### **Tab I: Schedule of Fees**

as per Appendix B

Provide details of the fees payable for each of the categories of expenditure specified. This information is required to ensure that the fees payable are reasonable.

#### **Tab J: Letters of commitment from all sources of non-Section 481 funding**

This includes all providers of non-s.481 production funding and State Aid.

State Aid funding includes the Irish Film Board, Broadcasting Authority of Ireland and other regional funding available in EU countries.



The letters provided should confirm the following:

- (a) Total production budget approved
- (b) Amount of non-s.481 funding
- (c) Their role in the project and benefits accrued.

It is important to note that copies of letters of intent will be considered acceptable only where approval in principle is being sought.

**Tab K: Letters of commitment in respect of Pre-Sales and Distribution Agreements.**

Similar to requirement at Tab J above

**Tab L: Letter of commitment from the Completion Bond providers**

These letters should include confirmation of total production budget approved, if applicable.

**Tab M: Person Days Schedule**

as per Appendix C

All information requested must be provided for each person employed.

**Tab N: Full list of Heads of Department**

This should state the name; position; PPS no. / tax residence; and remuneration of the relevant individuals.

**Tab O:**

Any other material, including information on contracts or agreements under discussion but not yet concluded, which has a material bearing on the project / application.

**Tab P:**

A diagram detailing all the parties involved, their respective responsibilities and the flow of funds between them.

**Tab Q:**

Details of any issues that might impact on the conditions for relief under s.481.

**Tab R:**

Where any agreements requested above are unavailable at the time of application, an outline of the proposed agreements, including details of the purpose of each agreement.

**Tab S:**

Confirmation that no financial arrangements of a type referred to in s.481(2C)(b) of the Act exist or are proposed.

**Tab T:**

Details of all companies controlled by the applicant.  
Similar details to those provided in relation to the producer company at section 1 of the application form are required.

**Tab U:**

Solicitor's confirmations on financial closing, if applicable.  
Sample letter attached at Appendix IV

**Tab V:**

Accountant's confirmations on financial closing, if applicable.  
Sample letter attached at Appendix V

**Tab W:**

Broadcasting Authority of Ireland or Irish Film Board confirmation of funding, if applicable.

**Tab X:**

Guarantee, surety bond or similar instrument, if applicable.

**Tab Y: Tax Clearance certificates**

A copy of the tax clearance certificates for the producer company, all companies controlled by the producer company and each person who is the beneficial owner of, or able to control more than 15% of the ordinary share capital of the producer company are required.

**Tab Z: Training Modules Proposed**

Details of the training modules proposed for the trainees and the names of the trainees engaged on the project are required.

**Appendix B**

This part of the form can be used to provide the required details of subsidiary companies.

## Appendix III Sample solicitor's letter of confirmation

Office of the Revenue Commissioners  
Film Relief Unit  
Stamping Building  
Dublin Castle  
Dublin 2

Our Ref  
[●]

[●] 2015

[NAME OF PRODUCER Company] LIMITED  
Production of "[NAME OF TELEVISION PROGRAMMES / OTHER]"

### Dear Sirs

We have acted as Irish legal advisers to [insert name of the Producer Company] who have asked us to provide this letter to the Revenue Commissioners for the purposes of compliance with the conditions of the certificate issued by the Revenue Commissioners in connection with the production of the [FEATURE FILM / TELEVISION PROGRAMME / OTHER] provisionally entitled [●] (the "Film").

### 1 Introduction

#### 1.1 Definitions

Unless otherwise defined herein or the context otherwise requires, terms defined in the [**Production Agreement**] shall have the meanings given to them in that document when used in this Letter.

The following terms are defined in the following provisions of this Letter:

"**Budget**" means the final budgeted cost of production of the Film as submitted to the Revenue Commissioners by the Producer Company as part of the s.481 application for the Film and attached hereto as Schedule 6 (*Budget*);

"**Certificate**" has the meaning given to such term in Schedule 1 (*Financing Documents and Certificate*);

"**Constitutional Documents**" has the meaning given to such term in Schedule 1 (*Financing Documents and Certificate*);

"**Finance Plan**" means the finance plan for the Film as submitted to the Revenue Commissioners by the Producer Company as part of the s.481 application for the Film and attached hereto as Schedule 5 (*Finance Plan*);

"**Financing Documents**" means those financing documents set out in Part 1 of Schedule 1 relating to the financing of the Film;

"**Production Agreement**" means a production agreement dated [●] and made between the Producer Company and the Qualifying Company relating to the Film;

“**Production Cashflow**” means the production cashflow for the Film as submitted to the Revenue Commissioners by the Producer Company as part of the Section 481 application for the Film;

“**Qualifying Company**” means [●] Limited of [●];

“**Revenue Certificate**” means the certificate dated [●] and issued by the Revenue Commissioners to the Producer Company in relation to the Film; and

“**Section 481**” means s.481 of the Irish Taxes Consolidation Act, 1997 (as amended).

## 1.2 Legal Review

For the purpose of issuing this letter we have examined only the financing documents and certificate set out in Schedule 1 (*Financing Documents and Certificate*).

## 1.3 Governing Law

This Letter is governed by, and construed in accordance with, the law of *[Ireland / other EU / EEA country]*. All non-contractual obligations and any other matters arising out of or in connection with this Letter are governed by the law of Ireland.

## 2 Background

We are advised by the Producer Company that the Budget amounts to a total sum of €[●] (the “Total Budgeted Cost”). *[Because the budgeted costs of the Film include expenditure in more than one currency we understand that the Total Budgeted Cost has been calculated on the basis of one or more assumed exchange rates.]*<sup>3</sup>

We further understand that the anticipated value of the tax credit that will be available to the Producer Company pursuant to Section 481 in relation to the Film is the sum of €[●] (the “Total Tax Credit Amount”) and that the Producer Company intends to claim [●]% of the Total Tax Credit Amount, being the sum of €[●] (the “Initial Tax Credit Amount”), as an advance payment from the Revenue Commissioners (the difference between the Total Budgeted Cost and the Total Tax Credit Amount, being the sum of €[●], is referred to herein as the “Required Funding Amount”).

## 3 Confirmations

Based upon and subject to *[(i) our understanding as [Irish / other EU / EEA nationality] lawyers of the terms of the Non [Irish / other EU / EEA nationality] Financing Documents,]*<sup>4</sup> (ii) the matters set out in Schedule 2 (*Basis of Letter*), (iii) the assumptions set out in Schedule 3 (*Assumptions*) and (iv) the qualification set out in Schedule 4 (*Qualification*), we hereby confirm that:

3.1 We have had sight of originals, PDFs or facsimile copies of each Financing Document where applicable signed by or on behalf of the Producer Company which Financing Documents provide that sums in an aggregate amount not less than the Required Funding Amount are to be made available to the Producer Company *[and/or its co-producer(s)]* in connection with the

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3. Delete if not applicable.

4. Delete if not applicable.

production of the Film<sup>5</sup>, subject to all of the respective terms and conditions of the Financing Documents. *[The Producer Company itself is not a party to every such contract as the Film is structured as a co-production and therefore certain agreements have been entered into by the Producer Company's co-producer(s) with third party financiers of the Film.<sup>6</sup>]* The total sum payable pursuant to each Financing Document *[in some cases based on one or more assumed exchange rates]* corresponds with the Finance Plan.

- 3.2 We have received confirmations from the funding party to each Financing Document (or, in cases where such funding party as a matter of policy does not provide such confirmations, from the Producer Company *[or its co-producer]*) confirming that the conditions precedent to each Financing Document have either been satisfied or waived to the extent that the applicable counterparty has commenced or is in position to commence funding pursuant to its respective Financing Document (subject in certain instances to receipt by the Producer Company of the Initial Tax Credit Amount), insofar as such funding is necessary to meet the current requirements of the Production Cashflow<sup>7</sup>.
- 3.3 We have received confirmation from [●]<sup>8</sup>, the Producer Company's auditor that pursuant to the terms of the Financing Documents an aggregate sum of not less than €[●] (the "Required Advances"), being not less than 68% of the "eligible expenditure amount" as set out in the Revenue Certificate has been advanced to the Qualifying Company.
- 3.4 Pursuant to clause [●] of the Production Agreement, the Qualifying Company is obliged to expend the Required Advances and any other sums advanced by the Producer Company to the Qualifying Company on defraying costs of production of the Film in accordance with the Budget and the Production Cashflow.

#### 4 **Reliance**

This letter is confidential and is solely for the benefit of the Revenue Commissioners in relation to the Film and solely in the capacity specified for the Revenue Commissioners and is not to be relied on by the Revenue Commissioners for another purpose or by any other person.

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<sup>5</sup> Where some funding constitutes overseas tax credits this certificate will need to be tailored to refer to an auditor's tax credit opinion regarding such tax credit (which auditor's opinion shall be listed in Schedule 1) and the fact that such auditor's opinion contemplates that a tax credit in the relevant amount will be made available.

<sup>6</sup> Delete if not applicable.

<sup>7</sup> This confirmation will need to be modified in cases where one or more funders is not funding until a later stage and the interim gap is to be covered by holdbacks or deferments.

<sup>8</sup> Producer Company's auditors.

**5 Disclosure**

This letter may not be disclosed to any other person or for any other purpose, or quoted or made public in any way, without our express prior written consent except that this Letter may be disclosed for information only:

- 5.1 to the extent officially requested by any regulatory authority (including any self-regulatory organisation) having jurisdiction over the Revenue Commissioners;
- 5.2 to the extent required by applicable laws or regulations or by any subpoena or similar legal process in Ireland; or
- 5.3 in connection with the enforcement or exercise of any rights or remedies under any Financing Document or any suit, action or proceeding relating to any Financing Document.

Any such disclosure is only permitted on the strict express condition that this letter is not addressed to and may not be relied upon by any such persons and that we assume no duty, liability, responsibilities to any such persons. We have not acted for or on behalf of such persons and we have not advised them in any respect, nor considered any matters which may be relevant to them.

**Yours faithfully**

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## Schedule 1

### Financing Documents and Certificate

#### Financing Documents

For the purpose of this Letter, we have examined only the following documents (original, PDF or facsimile copies of which were received by us):

##### Part 1

[Irish / other EU / EEA nationality] Law Financing Documents

[Insert details of [Irish / other EU / EEA nationality] Law Financing Documents that will be signed]

Non [Irish / other EU / EEA nationality] Law Financing Documents

[Insert details of Non-[Irish / other EU / EEA nationality] Financing Documents that will be signed]

(the “[Irish / other EU / EEA nationality] Law Financing Documents” and “Non-[Irish / other EU / EEA nationality] Law Financing Documents” are together herein referred to as the “Financing Documents” and each a “Financing Document”).

##### Part 2 - Certificate

A certificate issued by an officer of the Producer Company dated [●] (the “Certificate”), attaching a copy of each of the following certified as being true, complete and correct by such officer:

- (a) the [*memorandum and articles of association and*]\* certificate of incorporation (and any certificate of incorporation on change of name) of the Producer Company; and
- (b) the [*minutes of a meeting of the board of directors*] / [*written resolutions of all of the directors*] of the Producer Company held on [●].

\* if applicable.

## Schedule 2

### Basis of Letter

The confirmations given in this Letter are provided on the basis that:

1. Other than the Financing Documents and the Certificate, we have not examined any contracts, instruments or other documents entered into by or affecting the Producer Company or any other person and have not made any other enquiries concerning the Producer Company.
2. We give no confirmation and make no representation or warranty as to any matter of fact other than as expressly stated in this letter.
3. We have not investigated or verified independently any of the facts or assumptions, or the reasonableness of any assumptions, statements or opinions contained in or represented by the Producer Company in the Financing Documents nor have we attempted to determine if any relevant facts have been omitted therefrom;
4. This letter is strictly limited to the matters expressly stated in paragraph 3 (*Confirmations*) and; no statements or confirmations may be inferred beyond such matters;
5. This letter is based upon and limited to the law of [*Ireland / other EU / EEA jurisdiction*] as is in effect on the date hereof and is based on legislation published and cases fully reported before that date and our knowledge of the facts relevant to such opinions on the date hereof. We have assumed without enquiry that there is nothing in the law of any other jurisdiction which would or might affect our confirmations as provided herein;
6. We have made no investigations of and we give no confirmations in this letter on the law of any other jurisdiction or the effect thereof;
7. No confirmation is given as to whether any entity will make any payment referred to in a Financing Document, or whether it will do so in a timely manner;
8. The financial commitments made pursuant to the Financing Documents may take the form of repayable loan, equity investment, pre-sale/licence fee or any other form. For the purposes of this letter we have not concerned ourselves with the nature or commercial terms of any such financial commitment or with the rights (including any rights granted by way of security) granted to the parties providing such commitments;
9. Certain Financing Documents may be written in a language other than English. No confirmation whatsoever is given by this firm on the terms and conditions or contents of any such Financing Document not written in English or on any Non [*Irish / other EU / EEA nationality*] Law Financing Document and for the purposes of this Letter we have relied solely on confirmation(s) from the relevant financier or their legal representative (or, in cases where such financier as a matter of policy does not provide such confirmations, from the Producer Company [*or its co-producer*] that the total amount payable to it and/or any co-producer(s) pursuant to such Financing Document corresponds with the Finance Plan [*in some cases based on one or more assumed exchange rates*];
10. To the extent that any amount payable to the Producer Company [*and/or any co-producer*] pursuant to a Financing Document is denominated in a currency other than euro we cannot confirm or verify whether such amount, if and when actually paid, would be equivalent at



prevailing exchange rates to the corresponding sum set out in the Finance Plan. Furthermore we have not undertaken any analysis of the Budget or cash-flow of the Film in order to ascertain the extent of any currency conversions that may be necessary in order to reconcile the finance to be made available pursuant to the Financing Documents with the budgeted expenditure on the production of the Film in the currencies in which such expenditure will actually be incurred;

11. We have not undertaken any analysis of the extent to which the timing of anticipated receipts (whether by the Producer Company or any co-producer(s)) pursuant to the Financing Documents would match the requirements of the production cash-flow for the Film. For the purpose of the confirmation at paragraph 3.1 we have assessed only the maximum aggregate amount that may be payable pursuant to the relevant Finance Document, and not the timing or instalments in which such amount will or may be paid;
12. In giving the confirmations in paragraph 3.2, we accept no responsibility for reviewing or assessing the Production Cashflow;
13. We give no confirmations on the commercial or contractual terms of the Financing Documents other than by reference to the legal character thereof nor to any calculating, auditing or other non-legal matters;
14. Unless facts relevant to the confirmations expressed in this letter are specifically stated to have been established or verified by us, we have relied, without any investigation with respect to factual matters, solely upon the confirmations referred to above which we have received from the Producer Company, the funders or their legal representatives and / or the Producer Company's auditors, the materials specified in Schedule 1 (*Financing Documents and Certificate*) and upon the representations made by the Producer Company in the Financing Documents to which it is a party;
15. This firm accepts no responsibility for any acts or omissions by the Producer Company or any third party, including any failure to comply with the provisions of Section 481 or the Revenue Certificate and expressly disclaims any such responsibility; and
16. We assume no obligation to update the confirmations set forth in this letter.

## Schedule 3

### Assumptions

The opinions in this Letter have been made on the following assumptions:

#### 1 Financing Documents

##### 1.1 Genuine

All signatures, initials, seals and stamps contained in or on the Financing Documents and the Certificate (and the attachments thereto) are genuine.

##### 1.2 Authentic and Complete

Any document submitted to us as a copy (including without limitation any document submitted to us as a pdf (or any other format)) or attachment to an email conforms to the original of such document and all original documents are authentic and complete with all requisite seals and stamps affixed.

##### 1.3 Certificate

The Certificate is accurate in all respects (other than in relation to matters on which we expressly give confirmations in this Letter).

##### 1.4 No Revocations

All Financing documents dated on or prior to the date hereof and on which we have expressed reliance have not been revoked or amended and remain accurate.

##### 1.5 Legal capacity

Each natural person who has executed any Financing Document has due legal capacity to do so.

##### 1.6 Delivery and Conditions Precedent

The Financing Documents have been delivered by the Producer Company *[and / or its co-producers]* and are not subject to any escrow or other similar arrangement and the Financing Documents are unconditional in all respects.

#### 2 Corporate Authority

##### 2.1 No Amendments

There have been no amendments to the attachments to the Certificate of the Producer Company referred to in Schedule 1 (*Financing Documents and Certificate*).

##### 2.2 Corporate Matters

The resolutions of the *[board of]* directors of the Producer Company documented in the *[[Minutes] / [Written Resolutions]]* were *[[duly passed at properly constituted and properly convened and quorate meetings of] / [duly signed by all of the]]* duly appointed directors of the Producer Company and such resolutions have not been amended or rescinded and are in full force and effect.

### **3 Parties other than the Producer Company**

- 3.1 Each party to the Financing Documents (other than the Producer Company) has the due and requisite capacity, power and authority to enter into, execute and perform its obligations under the Financing Documents to which it is a party.
- 3.2 Each party to the Financing Documents (other than the Producer Company) has complied with and will comply with all the laws and regulations applicable to the transactions contemplated by the Financing Documents in any jurisdiction.
- 3.3 Each party to the Financing Documents (other than the Producer Company) has duly executed the Financing Documents to which it is a party.

### **4 General**

#### **4.1 Representations and Warranties**

The representations and warranties given by the Producer Company in the Financing Documents to which it is a party are at all times true and correct in all respects with regard to the facts stated therein (other than those on which we expressly give confirmations in this Letter).

#### **4.2 No Other Financing Documents**

Save for those identified in Schedule 1 (*Financing Documents and Certificate*), there is no other document in existence that in any way amends or varies the terms of the Financing Documents or in any way bears upon the confirmations stated in this Letter.

#### **4.3 Legal, Valid, Enforceable Financing Documents**

All the Financing Documents are legal, valid and enforceable as a matter of their governing law.

## Schedule 4

### Qualification

**The confirmations in this Letter are subject to the following qualification:**

In the English case of *R (on the application of Mercury Tax Ltd) v Revenue and Customs Commissioners* [2008] EWHC 2721, Underhill J. made certain *obiter dicta* to the effect that the practice of signing a signature page taken from a draft version of a document, and subsequently attaching the signature page to the final version of that document, might cause that document to be invalidly executed, notwithstanding that the attaching of the signature page to the final version of the document was authorised by the signatory. An Irish court is not bound to follow English judgments however, if the signature page to any of the Financing Documents which are governed by the law of Ireland and executed by a party to such Financing Documents was taken from a draft version and was then attached to the final version after being signed by such party, it is possible that an Irish court might hold that such a document was invalidly executed.

**Schedule 5**

**Finance Plan**

## **Schedule 6**

### **Budget**

## **Appendix IV      Sample accountant's letter of confirmation**

Our Ref:  
Qualifying (s.481 Company) Limited  
XXX

Report of factual findings in relation to compliance with the conditions of the Certificate issued by the Revenue Commissioners in relation to the production of the film entitled "XXX" by Qualifying (s.481 Company) Limited.

### **Dear Sirs**

We have performed the procedures agreed with you and enumerated below with respect to the financing documents (Appendix A), cashflow schedule (Appendix B), schedule of first day and other payments received from the financiers (Appendix C) and total production budget (Appendix D) on the production of the Irish part of the film entitled "X" ("the Film") provided to us. This report has been prepared, and should be read, in accordance with the terms of our engagement letter dated xx/xx/xxxx.

Our engagement was undertaken in accordance with the International Standard on Related Services (ISRS) - 4400 Engagements to perform agreed-upon procedures regarding financial information. This report, including the opinion, has been prepared to enable the company comply with the conditions of the Certificate issued by the Revenue Commissioners in relation to the film entitled "xxxxx" and for and only for the Revenue Commissioners and for no other person, other than by the Revenue Commissioners in connection with s.481.

We accept no duty or responsibility, and we disclaim all liability whether in contract, tort (including negligence) or otherwise to any person, other than the Revenue Commissioners in respect of this report.

### **Purpose of this Report**

The purpose of this report is to confirm that at least 68% of the approved eligible expenditure amount has been lodged to the qualifying company's bank account on terms whereby such amount is available to be expended by the qualifying company on the production of the film.

### **Respective responsibilities of the company and the accountants**

The company is responsible for the preparation of the list of financing documents (Appendix A), cashflow schedule (Appendix B), the schedule of payments received from the financiers (Appendix C) and total production budget (Appendix D)

It is our responsibility to:

1. Independently review the financing documents
2. Independently review the financing diagram and narrative attached the application filed on XX/XX/XXX for the issuing of the certificate
3. Independently review the cashflow schedule
4. Independently review the total production budget
5. Independently vouch the receipt of first day and other payments set out in Appendix C from the financiers of the film production into a bank account in the name of the production company

### **Procedures Performed**

The procedures which we performed are summarised as follows:

- We obtained the cashflow schedule of the Company in respect of the expenditure on goods, services and facilities to be incurred on the film

- We obtained the list of financing documents showing all of the sources of all amounts used to finance the entire production expenditure on the qualifying film, together with a schedule of all first day payments received by the production company;
- We obtained a copy of the application for a certificate filed with Revenue on XX/XX/XXX
- We vouched to bank statements all of the payments received into Qualifying (s.481 Company) Limited (shown in Appendix C) and to relevant supporting contracts.
- We reviewed the cashflow schedule and total production budget
- We reviewed the narrative and diagram contained in the application for a certificate and compared these documents with the financing documents.

These procedures do not constitute an audit, were restricted to the matters specified in the cashflow schedule and financing documents and did not extend to the company's financial statements taken as a whole. Therefore this report does not express any assurance in relation to the financial statements of the company. Furthermore this letter cannot be taken as expressing any legal opinion on whether the financing documents are legally binding and fit for purpose.

Had we performed additional procedures or had we performed an audit or review of the cost report in accordance with the International Standards on Auditing or International Standards on Review Engagements (or relevant standards or practices), other matters might have come to our attention that would have been reported to you.

## Findings

We report our findings below:

- The dates shown for the receipt of funds in the cashflow schedule correspond with the financing documents and all conditions stated re the receipt of funds were as stated in the financing documents;
- The narrative and diagram filed with Revenue correctly reflected the financing structure for the production and the funds committed per the financing documents provide an amount equal to the total production budget;
- Qualifying (s.481 Company) Limited received payments amounting to €XXX, as detailed in the attachment (Appendix C). The amount received is not less than the eligible expenditure, as defined in s.481 and the accompanying regulations, less the specified amount, as defined in s.481 and the accompanying regulations i.e the amount received is not less than 68% of eligible spend
- Payments received, equal to 68% of eligible expenditure are available to cover future production costs to be incurred by Qualifying (s.481 Company)
- The production agreement between Producer Limited and Qualifying (s.481 Company) Limited stipulates that the funds referred to above, equal to 68% of the eligible expenditure, can only be expended on future production costs to be incurred by Qualifying (s.481 Company) as set out in the total production budget.

Yours faithfully,

---

XXXXXXXXXXXXXXXXXX



# Appendix V Compliance Report Form

## Compliance Report Form

Company Name:

Name of Film:

Certificate Number:

---

### Declaration

I declare that to the best of my knowledge and belief the information given in this Report is correct, and that the conditions of relief applying to the company and film are satisfied and in particular that:

- The film was delivered and accepted on
- Name:
- Address:  
  
is the Banking Institution employed in relation to the administration of production expenditure incurred in the State
- All the documentation and final signed, dated and witnessed versions of all agreements, required to be submitted, by the producer company, as part of the application for certification, including, where applicable a Completion Bond, have been submitted.
- All the conditions contained in the certificate issued to the qualifying company under s.481 of the Taxes Consolidation Act 1997, were complied with.
- The sole activity of the qualifying company has been the production of the qualifying film.
- The producer company and qualifying company have maintained records, in accordance with Part 5 of Film Regulations 2015.
- The attachments listed in the schedule are enclosed.

Signature:

Date:

Capacity: Director

## Schedule of Attachments

1. Evidence that the film has been commercially broadcast, shown in a commercial cinema or television or has been commercially distributed in DVD format, or such other format as may be specified in the certificate.
2. A copy of the film in DVD format or such other format as may be specified in the certificate issued by the Revenue Commissioners in relation to the film
3. A report by the qualifying company's auditors, for the purposes of the certificate issued under s.481 of the Act of 1997, which includes-
  - a) details of the amount of money expended directly in the State on the employment of eligible individuals and on the provision of eligible goods, services and facilities, itemised in accordance with the top sheet production expenditure summary,
  - b) details of the amount of the entire production expenditure on the qualifying film, itemised in accordance with the top sheet production expenditure summary,
  - (c) confirmation that the provisions of Chapter 1A of Part 18 of the Act of 1997 have been complied with,
  - (d) details of any outstanding creditors or any others amounts due by the qualifying company at the date of the auditors report.
  - (e) in a case where a payment of an amount equal to at least 30% of the specified amount was made by the qualifying company to any person or to a group of 2 or more persons, who are connected (within the meaning of section 10 of the Act) with each other, details of:
    - (i) the identity of that person or persons,
    - (ii) the nature of the goods, services or facilities provided by that person or persons to the qualifying company, and
    - (iii) the amount or amounts paid to that person or persons,
  - (f) details of any foreign currency rates used,
  - (g) details of any related party transactions in accordance with generally accepted accounting principles,

(h) a statement that no significant relevant events have occurred since the date notified to Revenue, in accordance with Regulation 10, which would alter, to any material extent, the figures or confirmations contained therein, and

(i) the date upon which the completed qualifying film is first delivered to any financier or distributor of the qualifying film.

4. Details of the source of all amounts used to finance the entire production expenditure on the qualifying film.

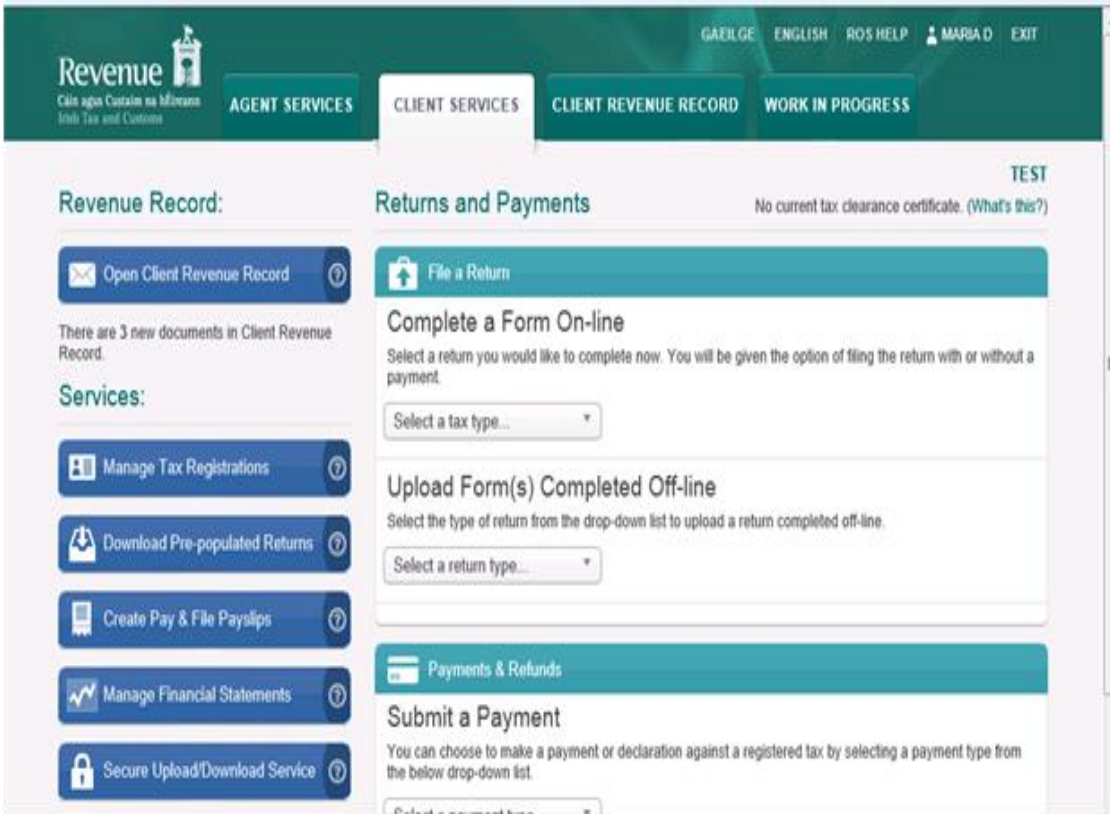
# Appendix VI How to update the Corporation Tax return on ROS

Filing or amending a corporation tax return or making a payment through ROS is linked to your ROS digital cert, which is your digital signature. The same ROS cert must be used for amending a return as was used for filing the return.

The following pages describe the steps needed to amend a CT return.

## Step 1 ROS Amendments

From the Client Services/My Services page choose to Complete a Form On-Line and select Corporation Tax



## Step 2 Selecting a Return

Only returns that are available for filing or amending will be presented.

Select the relevant corporation tax return and click “Next”.

The ROS amendment information page is displayed. Click “Proceed” to open the return.

**Please Note:**

<b>Company Details</b>	Revenue wishes to facilitate taxpayers who discover errors after submission of the relevant tax return and who wish to regularise the position. Full details of the opportunities available to bring your tax affairs up to date are outlined in detail in Chapter 2 of the Code of Practice for Revenue Audit, available on <a href="http://www.revenue.ie">www.revenue.ie</a> .
<b>Trading Results</b>	This return is being opened in Amend mode. Certain entries on the return will be greyed out as it is not possible to amend these entries on ROS.
<b>Irish Rental Income</b>	If you wish to amend these entries you must contact your Revenue District Office. Please press the Proceed button below to enter the return details.
<b>Irish Investment &amp; Other Income</b>	The circled input box below demonstrates what a field that cannot be amended will look like in ROS.
<b>Foreign Income</b>	
<b>Exempt Profits</b>	
<b>Capital Gains</b>	
<b>Chargeable Assets</b>	
<b>Deductions, Reliefs &amp; Credits</b>	
<b>Research &amp; Development Credit</b>	
<b>Film Corporation Tax Credit</b>	
<b>Capital Gains (Development/Re-zoning)</b>	
<b>Profits/Gains on Re-zoned Lands (IT)</b>	
<b>Close Company Surcharge</b>	
<b>Recovery of Income Tax</b>	
<b>Dividend Withholding Tax</b>	
<b>Calculate</b>	
<b>Request for Short Notice</b>	
<b>Property Based Incentives</b>	
<b>CT Self Assessment</b>	
<b>CGT/IT Self Assessment</b>	
<b>Print View</b>	
<b>Sign and Submit</b>	

**Claim for relief under Section 396A(3) TCA 1997 (carry-back of losses)**

State amount of loss (restricted by Section 1065 TCA 1997 where necessary) to be set back €

**Claim for excess Research & Development Credit arising in this accounting period to be offset under Sec 766(4A)(a) TCA 1997 or Sec 766A(4A)(a) TCA 1997.**

Excess Research & Development Credit arising in this accounting period to be offset under Sec. 766(4A)(a) TCA 1997 €

### Step 3 The Film Corporation Tax Credit Panel

Select the Film Corporation Tax Credit from the navigation bar on the left of the screen.

All fields in this panel are mandatory.

The date of issue of the Film certificate cannot be earlier than 1<sup>st</sup> January 2015.

If you are claiming the first instalment, only 90% of the approved amount can be claimed.

If the film has been delivered and accepted, and you have not claimed the first instalment, 100% should be entered in the first instalment field.

**Please Note:**

Revenue wishes to facilitate taxpayers who discover errors after submission of the relevant tax return and who wish to regularise the position. Full details of the opportunities available to bring your tax affairs up to date are outlined in detail in Chapter 2 of the Code of Practice for Revenue Audit, available on [www.revenue.ie](http://www.revenue.ie).

This return is being opened in Amend mode. Certain entries on the return will be greyed out as it is not possible to amend these entries on ROS.

If you wish to amend these entries you must contact your Revenue District Office. Please press the Proceed button below to enter the return details.

The circled input box below demonstrates what a field that cannot be amended will look like in ROS.

**Claim for relief under Section 396A(3) TCA 1997 (carry-back of losses)**

State amount of loss (restricted by Section 1085 TCA 1997 where necessary) to be set back € 240000

**Claim for excess Research & Development Credit arising in this accounting period to be offset under Sec 766(4A)(a) TCA 1997 or Sec 766A(4A)(a) TCA 1997.**

Excess Research & Development Credit arising in this accounting period to be offset under Sec. 766(4A)(a) TCA 1997 € 54000

Proceed

Several separate amendments may be made to the same return through ROS.

It is possible to enter details of up to 20 different certificates on each return by clicking the “Add Detail” button.

It is possible therefore, to claim the first instalment of corporation tax credit for a particular production whilst also claiming the second instalment of corporation tax credit in respect of a different production for which the first instalment claim has already been made.

At any time you can get a running calculation of liability by selecting the “Calculate” tab on the navigation bar.

The screenshot shows a web application interface with a navigation menu on the left and a main content area. The navigation menu includes items such as 'Investment & Other Income', 'Income', 'Profits', 'Gains', 'Movable Assets', 'Losses, Reliefs & Credits', 'Research & Development Credit', 'Corporation Tax Credit' (highlighted in orange), 'Gains (Develop/Rezoning)', 'Gains on Rezoned Lands (IT)', 'Company Surcharge', 'Rate of Income Tax', 'Withholding Tax', 'Penalty for Short Notice', 'Employer Based Incentives', 'Self Assessment', and 'Withdrawal'. The main content area is titled 'Film Corporation Tax Credit - Film Details' and contains the following fields:

Film Corporation Tax Credit - Film Details	
<b>Film Details - 1</b>	
(a) Enter Film Certificate Number	<input type="text" value="123456789FCC"/>
(b) Date Film Certificate issued (DD/MM/YYYY)	<input type="text" value="15/01/2015"/>
(c) Has this Film being completed?	<input checked="" type="radio"/> No <input type="radio"/> Yes
(d) Amount of Film Corporation Tax Credit Approved	<input type="text" value="€ 250000"/>
(e) Film Corporation Tax Credit claimed - 1st instalment	<input type="text" value="€ 225000"/>
(f) Film Corporation Tax Credit Claimed - 2nd instalment	<input type="text" value="€"/>

In relation to the above Film Certificate, give the following information:

Total budget for this film	<input type="text" value="€ 5500000"/>
Total amount of Irish budget for this film	<input type="text" value="€ 2850000"/>

## Step 4 Your Self Assessment

Every return filed or amended for an accounting period commencing on or after 1<sup>st</sup> January 2013 must include a self assessment.

Select the “CT Self Assessment” tab on the navigation bar.

The Revenue Commissioners will calculate your liability and populate this data in Column A.

Your self assessment should be entered in Column B. You must choose to either agree or disagree with the Revenue Commissioners’ calculation.

	Column A Revenue Calculation €	Column B Self-Assessment €
(i) Amount of profits chargeable to tax for this period	312252	
(ii) Amount of tax chargeable for this period		
(a) Amount of tax chargeable for this period	42544.25	
(b) Amount of tax payable/overpaid for this period before repayable credits already refunded/offset	-182455.75	
(c) Amount of repayable credits already refunded/offset.	0	
(iii) Amount of tax payable/overpaid for this period	-182455.75	
(iv) Add amount of any surcharge due under S 1084 TCA 1997 for this period because of		
• Late filing of this return or	0	
• Non-compliance with your LPT requirements	0	
(v) Amount of tax paid directly to the Collector General for this period	0	
(vi) (a) Balance of Tax Payable for this period		
(vi) (b) Balance of Tax (Overpaid) for this period	182455.75	

I confirm agreement with the figures at (i), (ii)(a) and (ii)(b) as computed above in column A.  Yes  No

or Enter your own figure in Column B

I declare the above to be my Self Assessment to Corporation Tax for the accounting period 01/01/2013 - 31/12/2013.

You must also make a self assessment declaration by ticking the relevant box.

Click on the “Sign and Submit” tab on the navigation bar to submit your amended return to the Revenue Commissioners.

You will receive an instant acknowledgement of your self assessed amended return in your ROS inbox.



https://roswebcis-sysman... CT Self Assessment

File Edit View Favorites Tools Help

e-Payslip Login Revenue Web Site RevNet Time and Attendance

Close Company Surcharge  
 Recovery of Income Tax  
 Dividend Withholding Tax  
 Calculate  
 Request for Short Notice  
 Property Based Incentives  
 CT Self Assessment  
 CGT/IT Self Assessment  
 Print View  
 Sign and Submit

	Column A Revenue Calculation €	Column B Self-Assessment €
(i) Amount of profits chargeable to tax for this period	312252	312252
(ii) Amount of tax chargeable for this period		
(a) Amount of tax chargeable for this period	42544.25	42544.25
(b) Amount of tax payable/overpaid for this period before repayable credits already refunded/offset	-182455.75	-182455.75
(c) Amount of repayable credits already refunded/offset	0	0
(iii) Amount of tax payable/overpaid for this period	-182455.75	-182455.75
(iv) Add amount of any surcharge due under S 1084 TCA 1997 for this period because of		
• Late filing of this return or	0	0
• Non-compliance with your LPT requirements	0	0
(v) Amount of tax paid directly to the Collector General for this period	0	0
(vi) (a) Balance of Tax Payable for this period		
(vi) (b) Balance of Tax (Overpaid) for this period	182455.75	182455.75

I confirm agreement with the figures at (i), (ii)(a) and (ii)(b) as computed above in column A.  Yes  No

or Enter your own figure in Column B

I declare the above to be my Self Assessment to Corporation Tax for the accounting period 01/0

# Appendix VII How to upload documents via MyEnquiries

English / Gaeilge

**Revenue**  
Cais agus Custaim na hÉireann  
Irish Tax and Customs

[Back to Inbox](#)

### Add A New Enquiry

**My Enquiry Relates To \*** PAYE employee - Credits/Relie ⓘ

**And More Specifically \*** Tuition fees ⓘ

My Reference (optional) ⓘ

For Attention Of (email address) (optional) ⓘ [Contact Locator](#)

Tick this box if you are an agent

Tax Reference Number ⓘ

Tax Reference Type VAT ⓘ

**Enquiry Details**  
Enter further detail up to 2,000 characters ⓘ

Please provide your email address below. Note your address will only be used to notify you when there has been activity on your enquiry.

Email Address 22j@revenue.ie ⓘ

Email Confirmation 22j@revenue.ie ⓘ

Attach supporting information   + ⓘ

\* Denotes mandatory field.