



Foreign Film, TV Production & Post-Production Incentive – Sept 2023

The South African Government offers an incentives to promote and support it's film production industry.

The Foreign Film and Television Production and Post Production Incentive, aim to attract foreign-based film productions to shoot on location in South Africa and conduct post-production activities in the country.

Foreign Film and TV Production Incentive

The base incentive is 25%, and an additional incentive of 5% (30%) is achievable if the production service company is either a Level 1 or 2 black-owned AND spend on post production services is more than R1.5M, the minimum post period allowed is 14 days.

- The minimum Qualifying SA Production Expenditure (QSAPE) need to be R15 million and above.
- If you make use of a 51% (level 2) BBBEE Service Company, the production will also qualify for an additional 5% rebate on QSAPE if the postproduction spend is R1.5 million plus and the Postproduction Facility & the Service Company is a black owned & managed company.
- All qualifying productions need to have 20% of QSAPE procured with Suppliers that are 51 % black owned.
- At least 50% or at least 21 (calendar) days of the PP must be filmed in SA. For projects with a minimum QSAPE of R100M, the fifty percent (50%) and minimum PP days could be waived.
- The application needs to be complete and submit not later than 45 days prior to principal photography and not earlier than 90days before PP.
- PP cannot commence until an approved DTI Rebate letter had been received.
- A signed Distribution Agreement and Finance Agreements is needed to be submitted on application.
- At least 80% of the total production budget must be secured at application stage, the balance needs to be confirmed before PP.
- On approval of the rebate, an additional 3 months is provided to start PP from the start date on the application.
- The incentive is capped at R25,000,000 = \$1,300,000 (Exchange \$1 = ZAR 18.00).

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► Advantage Entertainment will qualify for up to 30% rebate due to its shareholding structure if a minimum of R1.5M are spend on post production in SA.

Foreign Film and TV Post Production Incentive

- Qualifying Post Costs – License Fees (Dolby & Music); Artists Fees, Editorial & Sound goods & labour, Post facilities and labour, VFX/Roto outsource work, Grading & outsourced animation services.
- Conducting post-production only in SA - in addition to the 25% incentive, there is an additional 2.5% incentive if R10 million or more are spend on Post Prod
- and a further 5% is available for post-production spend of R15 million and up.

Eligible formats qualifying for funding:

- Feature Films
- Tele-movies
- Documentaries, documentary series & documentary feature
- Television drama & mini series
- Animation /Outsourced animation services

Non-Qualifying Production & Post-Production Costs :

- Financing Fees & Advances
- General business overheads
- Land & Buildings
- Deferments, Profit participation & Residuals
- SA Executive Producer Fees
- Publicity & Marketing Costs incl. EPK
- Withholding Tax
- SPCV incorporation fees
- Consultation fees
- Commission Fees
- Development costs, Story Rights
- Withholding Tax
- Production Activities Funded by other state organs
- Entertainment & Wrap Party Costs
- Purchase of software & equipment
- Other – Pilots, Reality TV, Training, Soapies etc.

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