

Coproducing

with Québec

BRILLER ICI
COMME AILLEURS

SODEC
Québec 



Simple comme Sylvain

Written and directed
by Monia Chokri

Coproduced by
Metafilms (Québec) and
MK Productions (France)


© Fred Gervais



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Cover page photo: *Hôtel Silence* | Written and directed by Léa Pool |
Coproduced by Lyla Films (Québec) and Louise Productions Lausanne (Switzerland)

A young boy with dark skin and short hair is leaning against the hood of a vintage, rusted brown car. He is wearing a yellow t-shirt with white sleeves and blue and green stripes at the cuffs. He has his arms crossed and is looking upwards and to the right. The car's hood is prominent, and the word 'COR' is visible on the front grille. The background shows a clear blue sky and some green foliage.

Kanaval

Written and directed
by Henri Pardo

Coproduced by
Yzanakio Productions (Québec)
and Wady Films (Luxembourg)

© Aziz Zoromba

SODEC

A key partner

SODEC (Société de développement des entreprises culturelles) is a vital partner for Quebec's cultural organizations in the audiovisual, book and publishing, music and entertainment, digital, fine crafts and art market sectors. The government corporation, created in 1995, administers a number of financial assistance programs designed to help cultural enterprises meet their needs, promote cultural entrepreneurship and stimulate innovation.

From a coproduction perspective, SODEC offers selective support, in the form of project investments and grants, primarily for production, marketing, broadcasting and promotional activities. The assistance is extended to the Québec portion of the overall production, and projects must be submitted by the Québec partner company.

SODEC also administers specific tax measures, namely refundable tax credits for coproductions.

Why coproduce with Québec?

A strong industry and competitive talent

Québec is known for its vast experience in international coproductions and its stable financial services and tools. Québec producers are excellent partners, in part due to their access to public funding, various tax measures, and contributions from private investors, distributors and broadcasters.

Québec is also coveted for its highly qualified, talented, creative, efficient and bilingual workforce as well as its cutting-edge technical infrastructure.

Montréal, one of the world's largest visual effects and postproduction hubs.

« [Translation] In fact, Québec is home to a number of highly skilled technicians... as well as VFX specialists. »

– Denis Villeneuve, Québec director, screenwriter and producer

La légende du papillon

Written by Heidi Foss
and Lienne Sawatsky

Directed by Sophie Roy

Coproduced by Les Productions
CarpeDiem (BT) Inc. (Québec)
and Ulysses Filmproduktion
GmbH (Germany)



Québec's audiovisual production industry in numbers:

+ Overall value of **\$2.8 billion**

+ **56,800** direct and indirect jobs

+ GDP of **\$3.3 billion**

+ **714** movie and drive-in theatre screens

+ 2021-2022 statistics
(Source: <https://statistique.quebec.ca/en/statistiques/par-themes/culture-and-media/film-and-audiovisual>)

2020 - 2021 coproductions:

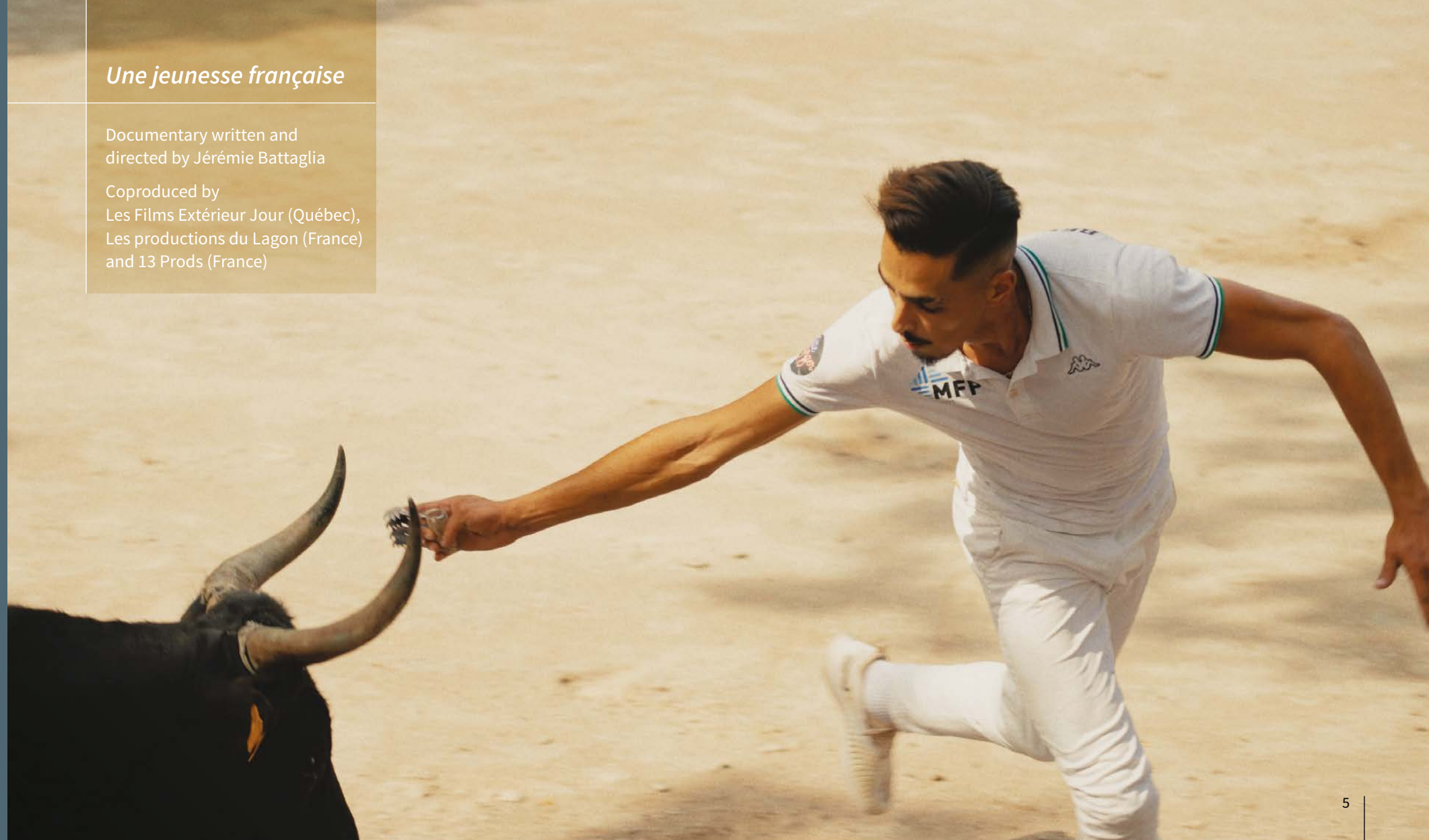
+ Film coproductions valued at **\$86 million**

+ Audiovisual coproduction treaties and protocol agreements between Canada and almost **60** other countries, among them France, Belgium, Ireland, Germany, Switzerland, the United Kingdom, and Senegal.

Une jeunesse française

Documentary written and directed by Jérémie Battaglia

Coproduced by
Les Films Extérieur Jour (Québec),
Les productions du Lagon (France)
and 13 Prods (France)





La nuit des rois

Cowritten by Delphine Jaquet
and Philippe Lacôte

Directed by Philippe Lacôte

Coproduced by Banshee Films (France),
Périphéria (Québec),
Wassakara Productions (Ivory Coast)
and Yennenga Production (Senegal)

Advantageous tax measures and financial assistance

In addition to the possibility of contributions from private investors, distributors and broadcasters, Québec coproductions also benefit from several public funds and tax measures:

- Financial support through SODEC's programs and funding from its investment bank
- Funding from Telefilm Canada
- Federal and Québec tax measures
- Support from the Québec Film and Television Council (QFTC)

Québec

A source of inspiration

Québec, with its four seasons, its enchanting northern charm, its vast territory, its founding peoples and its inspiring landscapes, is a province of contrasts that lends itself to all types of shootings.



Photos 1-2: iStock / Photo 3: Johannes Plenio, Unsplash



Photo: Jean-François Frenette

Québec in numbers:

- + Over **8.5** million inhabitants
- + A territory of over **1.7** million km² located between the 45th and 62nd parallels (north latitude)
- + Exceptional snowfall (**400** cm every winter)
- + Winter temperatures as low as **-29** °C
- + Summer temperatures as high as **35** °C

SODEC's coproduction programs

What types of projects are eligible?

SODEC supports:

- Majority coproductions where 51% or more of the project rights are held by one or several Québec enterprises
- Minority coproductions where 50% or less of the project rights are held by one or several Québec enterprises¹

All international coproductions must be officially recognized as a coproduction by virtue of a treaty signed with Canada². These treaties are administered by Telefilm Canada on behalf of the Government of Canada. Further details are provided on page 24.

Who can submit an application to SODEC?

An application must be filed by the Québec coproducer. SODEC supports only the Québec portion of the project.

Requirement regarding support for distribution and promotion activities: the application must be submitted by the Québec company that holds the distribution rights on Québec's territory.

When must an application be submitted?

Submission dates and deadlines are outlined here. (in French only)



1. Except for projects involving fiction television series or documentaries as part of the Production value enhancement program for French-language television series (*Bonification de la valeur de production de séries télévisées de langue française*).
2. Except for coproductions consisting of short narrative digital projects.



Richelieu

Written and directed by Pier-Philippe Chevigny

Coproduced by Le Foyer Films (Québec) and TS Productions (France)

Film production fund

Type of assistance

- **Recoupable investments for the production of:**

- feature-length fiction films (including animated films);
- medium and feature-length documentaries (one-off, including animated documentaries).

- **Grants for the production of:**

- short fiction films (including animated films);
- short documentaries (including animated documentaries);
- short narrative digital projects.

When evaluating projects, SODEC takes a number of factors into consideration:

- A confirmation from the Québec producer that at least 50% of the foreign financing is in place, other than the coproducer's capital contributions*.
- The status of the funding.
- A strategic agreement reached with a foreign partner for the purpose of initiating a reciprocal Québec majority coproduction.

* Only applies to coproductions where Québec is a minority partner.

- The potential economic spinoffs from the production and marketing of the film.
- The recoupment terms.
- The company's experience or potential for growth in the development of coproduction projects with foreign partners.
- The quality of the creative elements: the interest in and appeal of the proposed project, the project's originality compared to existing films, the quality and progress made with regard to the script, the cinematographic potential of the proposed treatment and the experience of the creative team.
- The project's outreach potential both in Québec and abroad: how palatable the project can be to Québec audiences, the international notoriety of the creative team, appeal to possible festivals and other distribution venues, the distributor's prior experience and vision.

Funding amounts

Feature-length fiction films (Québec majority coproduction) where the total production budget is:

- less than \$3.5 million – cumulative investment of up to 65% of the total budget cost borne by Québec;
- equal to or greater than \$3.5 million – cumulative investment of up to 65% of the total budget cost borne by Québec, but without exceeding \$4 million.

Feature-length fiction films (Québec minority coproduction):

- cumulative investment of up to 49% of the total budget cost borne by Québec, but usually without exceeding \$350,000.

Medium- and feature-length documentaries:

- cumulative investment of up to 65% of the total budget cost borne by Québec, but without exceeding \$500,000.

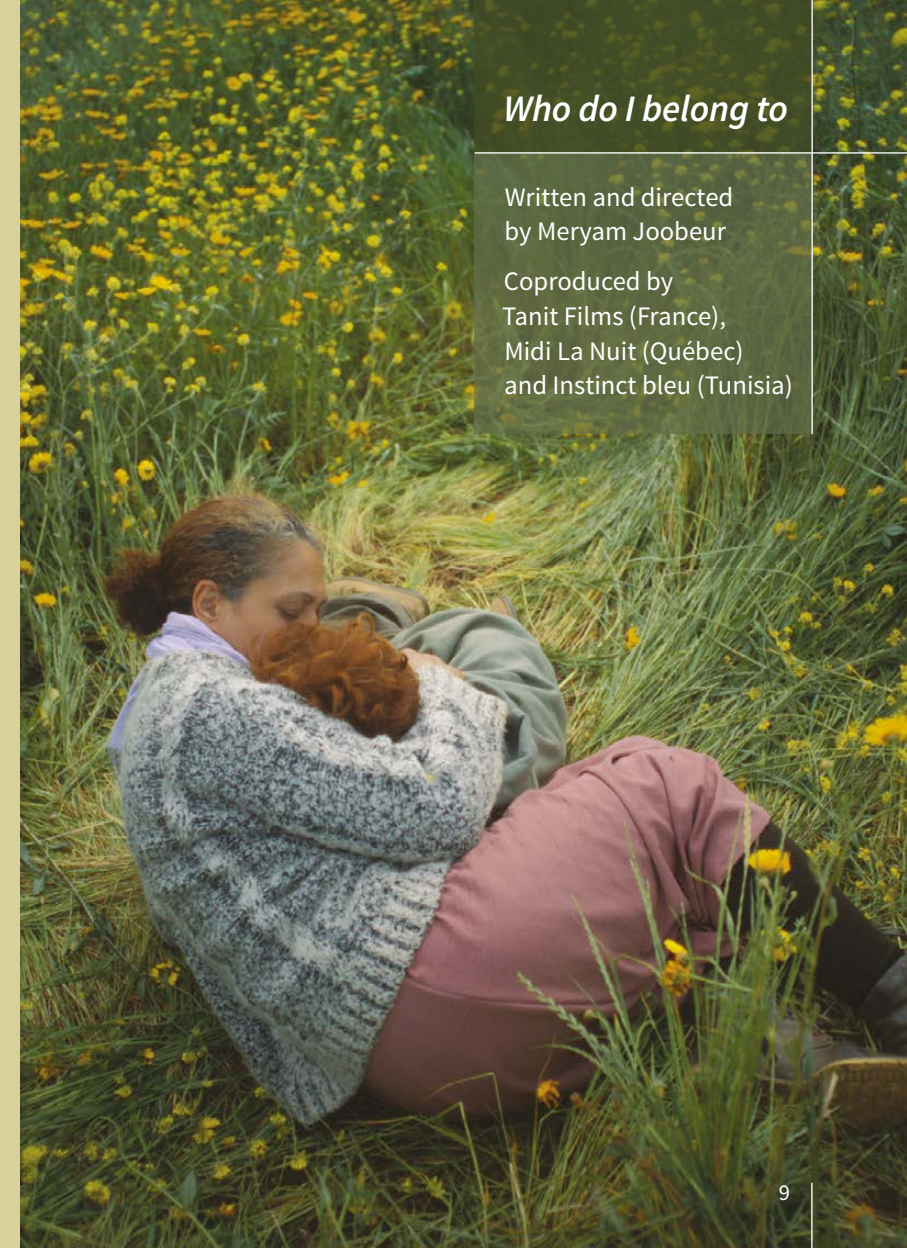
Short fiction films, documentaries and short narrative digital projects:

- grant of up to \$115,000.

Who do I belong to

Written and directed by Meryam Joobeur

Coproduced by Tanit Films (France), Midi La Nuit (Québec) and Instinct bleu (Tunisia)



Promotion and distribution programs

Type of assistance

Annual funding and project-based assistance consisting of subsidies for the distribution and marketing of Quebec films (majority and minority coproductions) in Quebec. The assistance is granted to the Québec enterprise that holds the distribution rights for the production in Québec.

Are Québec minority coproductions eligible?

Yes.

Funding amounts

The annual funding amounts provided to distribution and broadcasting companies varies according to the number and earnings of Québec films and foreign films with limited distribution release over the past 3 years.

The amount of funding granted per project can represent up to 80% of eligible expenditures in the estimated promotional budget, without exceeding \$10,000 for the production phase and \$40,000 for the marketing phase.

For more details,
click here.
(in French only)



Irena's Vow

Written by Dan Gordon

Directed by Louise Archambault

Coproduced by
Entract Studios inc. (Québec),
Darius Films Inc. (Ontario)
and K&K Films Selekt (Poland)



Woolly Woolly

Directed by Emmanuel Linderer,
an adaptation of the knitted world of Anna Hrachovec

Coproduced by
Normaal Animation (France)
and PVP Media (Québec)



Production value enhancement program for French-language television series

*(Bonification de la valeur de production
de séries télévisées de langue française)*

Type of assistance

Recoupable investment to enhance the production value of fiction, documentary or animated television series projects scripted and developed in French.

Are Québec minority coproductions eligible?

Yes, but solely in the case of animated series. Fiction or documentary series projects must be majority coproductions.

Assistance amounts

- **Projects involving an original script:**
investment of up to \$500,000 to finance an enhanced project budget.
- **Projects regarding a literary adaptation of a Québec work or featuring at least three existing recorded songs from the Québec repertoire:**
investment of up to \$750,000.

My Salinger Year

Written and directed
by Philippe Falardeau

Coproduced by
micro_scope (Québec) and
Parallel Film Productions (Ireland)

© Philippe Bossé



SODEC's investment bank

The SODEC's investment bank provides financing to help Québec cultural enterprises carry out their overall activities. In so doing, it supports the long-term success of Québec companies while financing promising projects.

Who is eligible for assistance?

An application must be submitted by the Québec coproducer.

What types of financing are granted?

- Bridge financing
- Contract specific discounts/premiums
- Term loans
- Revolving credit
- Loan guarantees
- Investment in projects and equity (exceptional)

For more details,
click here.
(in French only)



Tax measures administered by SODEC

Québec tax measures are jointly administered by SODEC and Revenu Québec.

Refundable tax credit for Québec film and television productions

As it concerns the labour expenditures of a company that produces a Québec series or film, this tax credit was introduced to favour a strong and resilient Québec film and television industry and to ensure an adequately high number of productions by notably encouraging various coproductions.

Who can apply for this tax credit?

- The production company must operate a business in Québec that is under Québec control.
- It must also oversee the film's production.
- Within the framework of an official coproduction agreement with Canada, it must also hold the rights to production and have entered into a coproduction agreement with Telefilm Canada.
- The production must be intended for distribution, broadcast or streaming in Québec.

What are the eligible rates?

- Eligible labour expenses are capped at a ceiling equal to 65% of the film's eligible production costs.
- The base rate for an original Québec production is 32% of eligible labour expenses.
- The base rate for a production adapted from foreign media is 28% of eligible labour expenses.
- The base rate may be further enhanced depending on the project's nature and eligibility criteria:
 - French-language productions: 8% of eligible labour expenses;
 - Public financial assistance: up to 16% of eligible labour expenses;
 - Regional entities: between 10% and 20% of eligible labour expenses;
 - Special effects or computerized animations: 10% of eligible labour expenses.

Taking these subsidies into account, the effective rate for an eligible budget is between 20.8% and 42.9% for an original Québec production and between 18.2% and 40.3% for a production adapted from foreign media.

- At least 75% of capital and labour expenses must be paid to businesses or individuals residing in Québec.

Refundable tax credit for film and television production services

This tax measure was introduced to encourage foreign productions to film in Québec and to carry out technical services such as animation and special effects in Québec.

Who can apply for this tax credit?

- Companies physically located in Québec, but without any obligation to be under Québec control.
- If the eligible company is not the copyright owner, it must have signed a contract with the owner covering the delivery of production services.
- The refundable tax credit is based on directly related production costs, including eligible goods and labour expenditures incurred in relation to an eligible production, and which are delivered in Québec.
- The production can be partially shot in Québec.
- There is no obligation to obtain approved coproduction status.
- No distribution or broadcasting obligation.
- The minimum budget is \$250,000.

What are the eligible rates?

- 25% of expenses incurred and paid in Québec.
- Bonus of 16% of labour expenses for computer-aided special effects and animation, and for shooting of chroma-key scenes in Québec.
- Only 65% of the cost of a contract with a service provider for special effects or computerized animations will be taken into account when calculating the basic tax credit and the rate enhancement for special effects.

What production categories are considered eligible?

- Fiction films, including films that consist entirely of sketches, each of them fully drawn from a screenplay and specially conceived and arranged for television (including series and miniseries).
- Documentaries lasting a minimum of 30 minutes (programming) or, in the case of a series, 30 minutes of programming per episode, excluding documentaries intended for minors and virtual reality documentaries, which may be shorter.
- Eligible fiction films or documentaries, including virtual reality (VR) or augmented reality (AR) productions.

International coproduction agreements

International coproduction agreements are administered by Telefilm Canada, a federal agency responsible for recommending to the Government of Canada projects that may be recognized as audiovisual coproductions governed by an official audiovisual coproduction treaty with Canada.

For further details on how to obtain Telefilm Canada's certification for a coproduction:



Canadian financing and tax measures

Federal tax measures

Federal tax measures are administered by the Canadian Audio-Visual Certification Office of Canadian Heritage in collaboration with the Canada Revenue Agency.

Canadian Film or Video Production Tax Credit (CPTC)

- Effective rate up to 15% of the total production cost (equal to 25% of eligible labour expenses up to a maximum of 60% of the total production cost), net of any amount received as assistance.
- The Québec producer must hold the production rights and obtain a certificate from the Department of Canadian Heritage that confirms the production's status as an official coproduction.

Film or Video Production Services Tax Credit (PSTC)

This tax incentive represents 16% of eligible labour costs incurred and paid to Canadian residents (permanent residents or Canadian citizens) for services provided in Canada.

Federal assistance programs

Telefilm Canada also supports film production through development, production, marketing and distribution assistance programs in the form of repayable investments, grants or refundable assistance.

Who is eligible for assistance?

Any predominantly Canadian-owned production company that has signed a coproduction agreement with a foreign producer from a country that has signed an audiovisual coproduction treaty with Canada.

What eligibility criteria apply?

- The coproduction must be carried out with an eligible producer from a country that has signed an audiovisual coproduction treaty with Canada.
- Canada and the coproducing country must make a financial contribution of at least 15 to 30%, depending on the terms and conditions of the applicable agreement.

- The financial, creative and technical contributions, as well as the expenditures, must always be proportional.
- All employees hired to work on an official coproduction must be from one of the countries involved in the coproduction, and the shooting and postproduction activities must be carried out in one of the countries party to the coproduction project.
- Subject to the approval of administrative authorities, most treaties permit the participation of actors from outside the coproducing countries, and allow filming in another territory if the script so requires.

For more details, click here.



La tresse

Written by Laetitia Colombani
and Sarah Kaminski

Directed by Laetitia Colombani

Coproduced by
Forum Films 2005 (Québec),
Moana Films and
Curiosa Films (France)
and Indigo Films (Italy)

© Laurent Guertin



Quebec Film and Television Council (QFTC)

The QFTC is a one-stop shop for foreign producers, facilitating the process throughout the filming period:

- Script analysis to determine appropriate shooting locations.
- Scouting to identify potential shooting locations.
- Coordination of visits to identified shooting locations.
- Liaison bringing together the production staff, HR (labour force, etc.), technical personnel (suppliers, etc.) and regulatory authorities (obtaining of licences, etc.) critical to a successful shoot.
- Support and assistance towards ecoresponsible practices as outlined in the Rolling Green program.

For more details,
click here.



Hôtel Silence

Written and directed
by Léa Pool

Coproduced by
Lyla Films (Québec) and
Louise Productions Lausanne
(Switzerland)





Photo: © Stéphane Groleau
Au Pied-du-Courant building, SODEC headquarters
Graphic Design: Isabelle Toussaint

Contacts – SODEC

Johanne Larue

Executive Director, Audiovisual
Development and Production Funds
johanne.larue@sodec.gouv.qc.ca

Sophie Labesse

Executive Director,
Enterprise Financial Services
sophie.labesse@sodec.gouv.qc.ca

Julie M. Fournier

Director, Tax credit measures
juliem.fournier@sodec.gouv.qc.ca

sodec.gouv.qc.ca

905, avenue De Lorimier
Montréal (Québec) H2K 3V9

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QUÉBECREATES

SODEC
Québec 