

GRANTS—Community: Digital Media Tax Incentive

Grant Name	Purpose	Eligibility	How to Apply	Documentation Required	Award	Contact Info	Grant Type
Digital Media Tax Incentive	The Digital Media Tax Credit is a refundable tax credit for costs directly related to the development of interactive digital media products in Nova Scotia.	<p>To be eligible for this credit, a corporation developing an interactive digital media product must satisfy all of the following requirements:</p> <ul style="list-style-type: none"> • Be a taxable Canadian corporation • Corporation must have a “permanent establishment” in Nova Scotia, meaning: <ul style="list-style-type: none"> - A fixed place of business in the province - Assets in the province to develop the product - Personnel in the province who can contract on behalf of the corporation • Corporation must not be a prescribed labour-sponsored venture capital corporation under the federal Income Tax Act <p>To be eligible for this credit,</p>	<p>http://www.novascotia.ca/finance/en/home/taxation/tax101/businessstax/corporateincome/metadata/digitalmediataxcredit.aspx To get the credit, corporations must apply to the Nova Scotia Department of Finance and Treasury Board and</p>	<p>http://www.novascotia.ca/finance/en/home/taxation/tax101/businessstax/corporateincome/metadata/digitalmediataxcredit.aspx Download The Digital Media Tax Credit Information zip file, located at the bottom of the page at the link provided above.</p>	<p>Digital Media Tax Credit Rates: <u>Qualifying Expenditures:</u> Base Tax rates 50%, Regional Bonus of 10%, Total 60% <u>Total Expenditures:</u> Base Tax Rates 25%, Regional Bonus 5%, Total 30%</p> <p>Corporations may also be eligible to receive a credit on marketing and distribution expenditures to a maximum of \$100,000 per</p>	<p>Paul Davies, Director Taxation and Fiscal Policy Tel: 902.424.4655 Email: daviespb@gov.ns.ca http://www.novascotia.ca/finance/en/home/taxation/tax101/businessstax/corporateincome/metadata/digitalmediataxcredit.aspx</p>	Tax Credit - Film And Production

		<p>the digital media product:</p> <ul style="list-style-type: none">•Must be interactive•Primary purpose must be to educate, inform or entertain users•May be developed for use by either individuals or businesses•Must achieve its primary purpose by presenting information in at least two of three formats: text, sound or images. <p>To be eligible for the geographic area bonus, the corporation must:</p> <ul style="list-style-type: none">•Have a permanent establishment outside the Halifax Regional Municipality•At least 50 per cent of salaries for the development of the product must be paid to employees who work out of a permanent establishment in the eligible geographic area. <p>Note: There is no</p>	<p>meet the eligibility criteria listed under "Who Is Eligible."</p>		<p>product. These expenditures may be made outside the province.</p>		
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		<p>requirement for the corporation to own the copyright to the product.</p> <p>The following products are NOT eligible for the credit:</p> <ul style="list-style-type: none">•Operating system software•Application software (e.g. database, spreadsheet, word processing)•Products developed primarily for interpersonal communications (e.g. cellphone, e-mail software)•Any product that is pornographic or discriminatory•Any product that is primarily used to advertise or promote a corporation or organization <p>Eligibility is assessed on a product-by-product basis.</p>					
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