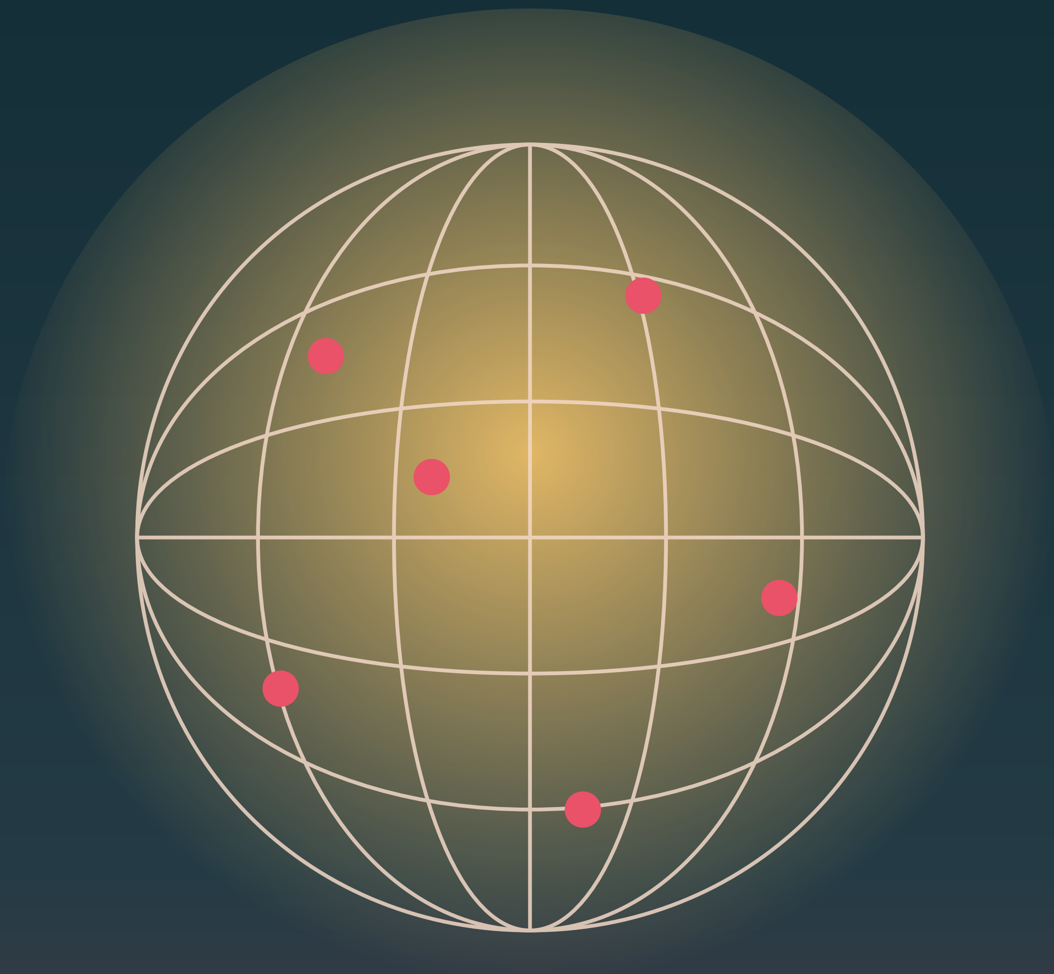
CELLULOID PACT · LINE PRODUCERS INDIA



A PRODUCER'S REFERENCE · CURRENT EDITION

Worldwide Film Rebates & Incentives

Cash rebates, tax credits, VAT relief and grants across Europe, the Middle East, Africa, Asia-Pacific and the Americas — the current rate, the minimum spend, the cap and the catch, territory by territory.

Compiled from national film commissions and government incentive guidelines for producers, agencies, studios and international production companies comparing where to shoot.

lineproducersindia.in

CONTENTS

What's inside

WHAT CHANGED

The biggest movers in the last two years: **Saudi Arabia** lifted its headline rebate toward **60%**; the **UK** switched to the Audio-Visual Expenditure Credit with a 39% VFX rate; **Australia**'s federal Location Offset rose to **30%**; **India**'s cap jumped from roughly USD 260,000 to **USD 3.6 million**; **Jordan** reached up to 45%; **Mexico** introduced a new 30% credit. Any reference more than a year old is quoting rates that no longer apply.

This document is planning guidance, not legal, tax or financial advice. Incentive rates, thresholds, caps and eligibility are set by national film commissions and finance ministries and change frequently, sometimes mid-year and sometimes with an annual funding ceiling that pauses approvals. Every figure here is drawn from the relevant authority's published programme, but confirm the current terms with the commission before committing a budget.

SECTION 1

How to read an incentive, and why the headline lies

> Almost every territory advertises its ceiling. Very few productions receive it. The number in the press release is the rate a large, high-scoring, locally integrated production earns; the rate you earn depends on how much you spend in-country, how many local people you hire, and whether the story ties to the place. Read past the headline to the structure underneath.

Across the market, headline rates run from about **20% to 60%** of qualified local spend, delivered as one of three things: a cash rebate paid after audit, a tax credit that is often transferable or sellable, or a selective grant or subsidy. Almost all require a minimum spend or a cultural test, and the real figure a production earns sits below the ceiling.

Four questions decide what an incentive is actually worth to a specific production. **What is the base rate, and what lifts it?** Many programmes pay a floor rate to everyone who qualifies and add uplifts for local hiring, cultural content or regional filming. **What is the minimum spend?** A generous rate is irrelevant if the entry threshold sits above your in-country budget. **What is the cap?** A high rate with a low per-project cap, as India's used to be, quietly limits large films. And **when does it pay?** A rebate that disburses 150 days after audit is a cash-flow line item, not free money at wrap.

The rule of thumb: budget the rate you will realistically earn, not the ceiling. For most cross-border shoots that means assuming the base rate plus one or two uplifts, then treating anything above that as upside once the points or cultural test is confirmed.

Not every "incentive territory" pays a spend-based rebate

Some well-known shooting countries appear on incentive lists but do not, in mid-2026, operate a straightforward percentage cash rebate. Treating them as if they do is a common budgeting error, so this document flags them explicitly rather than assigning a misleading headline number.

Territory	What it actually offers
Indonesia	No national cash rebate. Support is grant and fund based, plus emerging city-level discounts.
Brazil	No federal rebate. City and state schemes only (Sao Paulo, Rio de Janeiro).
Egypt	A facilities discount when using the state media production city, not a spend-based rebate. A formal scheme is signalled but not yet published.
South Africa	A 25% foreign-film rebate exists on paper, but the scheme is administratively frozen with a large unpaid backlog. Confirm before relying on it.

SECTION 2

The five incentive types

> Programmes fall into five broad families. Knowing which one a territory runs tells you how the money reaches you, how certain it is, and how it interacts with your financing.

Type	How it works	Example territories	Producer's note
Cash rebate	A fixed percentage of eligible in-country spend, reimbursed after an audit.	Jordan, Portugal, India, Thailand, Morocco	The most predictable model; plan for the payment lag.
Tax credit	Reduces tax liability; often transferable or sellable.	UK, France, USA, Canada, Mexico	Frequently stackable; may need a local buyer for the credit.
VAT relief	Refund or exemption on local taxes.	Jordan, Malta, Tunisia	Material on equipment-heavy shoots; model alongside the rebate.
Grant	Selective funding, usually for cultural alignment or co-production.	France, Indonesia	Competitive and discretionary; do not budget as guaranteed.
Points / uplift	Rate increases tied to local content, hiring or region.	Jordan, Abu Dhabi, UK, Australia	This is where the headline rate is won or lost.

Stacking: in several territories a federal or national instrument stacks with a regional one. Canada's federal credit sits on top of a provincial credit; Australia's Location Offset stacks with state incentives and the post/VFX offset. Where stacking is allowed, the effective recovery is well above either single headline.

SECTION 3

Europe

> Europe offers the deepest crew and studio infrastructure and the most stable programmes, at a higher cost base. Rates cluster between 25% and 40%, with cultural tests and, in several countries, annual funding ceilings that can pause approvals late in the year.

Western Europe

Portugal 25–30% rebate

Structure	25% base cash rebate, up to 30% with cultural-test points. A separate higher-budget cash refund pays 30%.
Minimum spend	EUR 500,000 fiction / animation; EUR 200,000 documentary and post. The high-budget refund needs EUR 2.5 million.
Cap	Refund track capped around EUR 6 million per feature or season; annual envelope applies.
Best for	European storytelling, OTT series, commercials, VFX and post.

France 30% (40% VFX-led) tax rebate

Structure	TRIP tax rebate at 30% of qualifying French spend, rising to 40% when French VFX spend exceeds EUR 2 million.
Minimum spend	EUR 250,000, or 50% of the total budget spent in France.
Cap	EUR 30 million per project.
Best for	Art-driven films, period pieces, and VFX-led projects.

United Kingdom 34% credit / 39% VFX

Structure	Audio-Visual Expenditure Credit, a 34% credit on film and high-end TV (net around 25.5%), with an enhanced 39% rate on UK VFX and the 80% cap lifted for VFX. The old tax-relief regime closed to new productions in April 2025.
Independent films	Independent Film Tax Credit of 53% on core spend, for films under GBP 15 million.
Minimum spend	No minimum; 10% of core spend in the UK, plus a cultural test.
Best for	Long-format series, VFX-heavy content, major studio films.

Spain 30% / Canary Islands up to 54%

Structure	Mainland: 30% on the first EUR 1 million of spend, 25% thereafter. Canary Islands: 54% on the first EUR 1 million, 45% on the remainder.
Minimum spend	EUR 1 million in Spain (EUR 200,000 for animation).
Cap	EUR 10 million mainland; up to EUR 36 million per feature in the Canaries. Total aid may not exceed 50% of production cost.
Best for	Large features seeking a European base with a strong sunshine-hour region.

Italy up to 40% tax credit

Structure	Tax credit historically up to 40% on Italian spend for international productions. A 2024 reform introduced per-work and per-company caps and is reported to move some rates toward 30–35%.
Status	**Confirm the current live rate directly** — the reform left the exact percentage in flux through 2025.
Best for	Period and prestige features drawing on Italian locations and craft.

Eastern Europe — cost-efficient, strong studios

Hungary 30% rebate

Structure	30% tax rebate on eligible Hungarian spend (up from 25%); up to 25% of eligible spend may be non-Hungarian and still count. Approved through 2030.
Minimum spend	No per-project minimum.
Cap	No per-project cap, but an annual national approval ceiling that can pause new sign-offs.
Best for	Historical epics, mid-budget action, studio-based European work.

Romania 30% rebate

Structure	30% cash rebate, relaunched in 2024 after a two-year pause; a 40% uplift is planned but not yet in force.
Cap	Annual budget up to EUR 55 million.
Best for	Commercials and European-set features.

Serbia 25–30% refund

Structure	25% cash refund, 30% if Serbian spend exceeds EUR 5 million.
Minimum spend	EUR 300,000 feature; EUR 150,000 per episode; EUR 50,000 documentary.
Best for	Period dramas, controlled-budget features.

Croatia 25% (+5% region)

Structure	25% rebate, plus 5% for filming in less-developed regions.
Minimum spend	Around EUR 263,000 for a feature; lower tiers for docs and TV.
Best for	Coastal and historical visuals.

Georgia 20% (+2–5%)

Structure	20% cash rebate on qualified Georgian spend, plus a 2–5% cultural uplift; paid within about 90 days.
Requirement	At least 50% of the budget secured at application.
Best for	Cost-controlled features and diverse landscapes.

SECTION 4

The Middle East and Africa

> The region posts the highest headline rebates in the world, led by the Gulf. The trade-off is documentation load and, outside a few hubs, a thinner freelance crew base that has to be supplemented with imported heads of department. The numbers are real; the depth of the ecosystem varies sharply between territories.

Middle East

Saudi Arabia   up to 60% rebate

Structure	Cash rebate lifted from 40% to a headline up to 60%, announced in 2026, with faster disbursement. Film AlUla adds a further incentive weighted toward local-workforce training.
Requirement	Pre-approval and a minimum number of in-country production days; precise minimum-spend mechanics are not consistently published.
Reality check	The rate is the world's most aggressive, but the crew base is young; budget imported HODs and a longer prep.
Best for	High-budget features and VFX-scale projects with time to prep.

Jordan   25% → 45% rebate

Structure	25% base rising to 45% via a points system (spend scale plus Jordanian cultural content). Layered over VAT and withholding exemptions, total savings can approach 56% of eligible spend.
Minimum spend	USD 250,000 (halved from the prior floor).
Cap	USD 5.25 million per project; paid within 150 days of the audited report.
Best for	Desert, adventure and ancient-world stories, with a genuine local crew base.

Abu Dhabi (UAE)   35% → 50% cashback

Structure	35% base cashback (raised from 30% in 2025), plus a points-based uplift to a 50% ceiling. From 2025 the scheme also covers reality TV, shorts and animation.
Cap	Rebate share capped at 50% through the points scale.
Best for	High-budget drama and VFX projects using the emirate's studios.

Morocco 30% rebate (uncapped)

Structure	30% cash rebate on eligible Moroccan spend, with no project cap.
Minimum	MAD 10 million local spend and at least 18 production days in Morocco; paid within roughly 180 days of audit.
Best for	Historical, action and desert productions with the deepest regional crew.

Africa

South Africa 25% — but frozen

Structure	Foreign-film rebate of 25% of qualifying spend, with a per-project cap of ZAR 25 million and a ZAR 15 million minimum.
Status	**Administratively suspended in practice** — no new approvals through 2024–25 and a large unpaid backlog. Confirm the programme is live before you rely on it.
Best for	Commercials and series — on infrastructure and value, not on a dependable rebate today.

Egypt facilities discount, not a rebate

What exists	Up to 30% off when shooting within the state media production city and using its facilities — a discount, not a spend-based rebate. A national financial-incentive scheme has been signalled but not yet published.
Best for	Productions using the Cairo studios; watch for the formal scheme.

SECTION 5

Asia-Pacific

The region runs from Australia's newly enlarged federal offset to India's much-expanded cap and Thailand's uncapped tiered rebate. Cost bases are generally lower than Europe, and several programmes were upgraded in 2024–25 specifically to court large international productions.

India 30% + up to 10% bonus

Structure	30% of qualifying Indian spend, plus 5% for employing 15% or more Indian manpower and a further 5% for significant Indian content — up to 40% effective.
Minimum spend	INR 2.5 crore (about USD 300,000).
Cap	INR 30 crore (about USD 3.6 million) per project — a major increase from the earlier cap of roughly USD 260,000.
Best for	Mid to large features and series; the raised cap finally suits big-budget shoots. See Section 7.

Australia 30% Location Offset

Structure	30% federal Location Offset (legislated in 2024, up from 16.5%), stackable with state incentives and the 30% post and VFX offset.
Minimum spend	AUD 20 million qualifying spend for features; AUD 1.5 million per hour for TV.
Best for	Large studio features and premium series wanting an English-language base.

Thailand 15–30% rebate (no cap)

Structure	Tiered cash rebate from 15% (spend from THB 50 million) to 25% (from THB 150 million), plus up to 5% in uplifts, reaching a 30% ceiling. Effective 2025, with the per-project cap removed.
Best for	Action, travel and commercial work with strong service infrastructure.

Malaysia 30% (+5% cultural)

Structure	30% cash rebate on qualifying Malaysian spend, plus 5% via a cultural test, to 35%.
Minimum spend	MYR 5 million production; MYR 1.5 million post.
Best for	Tropical and urban Asian looks with a competitive studio base.

New Zealand 20% (+5% uplift)

Structure	20% International Screen Production Rebate on qualifying New Zealand spend, plus a 5% uplift to 25% for productions of wider benefit; the uplift now also reaches post, digital and VFX-only work.
Minimum spend	From January 2026, NZD 4 million (cut from NZD 15 million); the uplift threshold falls to NZD 20 million.
Best for	Large features and premium series wanting landscape scale and world-class VFX and post.

Indonesia no national rebate

What exists	Fund and grant support (a production support fund and a match fund) rather than a spend-based rebate, plus an emerging Jakarta city-level discount.
Best for	Documentaries and island visuals via co-production; do not budget a headline percentage.

SECTION 6

The Americas

> Latin America is where the newest programmes are appearing, led by Colombia's dual rebate-and-credit and Mexico's brand-new federal credit. North America remains labour-credit territory, where the federal rate is a floor to be stacked with strong provincial and state credits.

Latin America

Colombia 40% services / 20% logistics

Structure	Two instruments: an FFC cash rebate of 40% on film services and 20% on logistics, and a CINA transferable tax certificate worth 35% of qualifying spend. The rebate nets around 30–32% of total spend.
Minimum spend	Around USD 640,000 for features.
Best for	Action, drama and series drawing on Andean, Caribbean and jungle looks.

Mexico up to 30% (new credit)

Structure	A new federal transferable tax credit, with guidelines published in 2026, worth up to 30% of qualifying Mexican spend nationwide, plus VAT recovery. Narrative, documentary and animation only.
Status	Very new — confirm operational detail per project.
Best for	Features and genre work using Mexico's range of locations and crew depth.

Chile 30% (40% off-Santiago)

Structure	Up to 30% rebate on qualified spend; 40% for productions shot entirely outside the Santiago region.
Cap	USD 3 million per project.
Best for	Documentaries, high-altitude and natural-terrain projects.

Brazil city / state only

What exists	No federal rebate. City and state schemes: Sao Paulo 20–30%, Rio de Janeiro up to 35% of city spend.
Best for	Urban productions and natural landscapes; budget at the city level.

North America

United States state-level, 20–40%

Structure	No federal incentive; each state runs its own. Georgia pays a 20% transferable credit plus a 10% promotional uplift, to 30%, with no cap. California's expanded program credits roughly 20–35%, and Texas offers a tiered grant reaching about 31% with uplifts.
Note	Rate, mechanism (credit versus grant) and transferability vary sharply by state. Choose the state first, then the incentive.
Best for	Studio features and series matched to a state's soundstage base and credit type.

Canada 16% federal + provincial

Structure	Federal Production Services Tax Credit of 16% of qualifying Canadian labour, stackable with provincial credits. British Columbia raised its service credit to 36% for principal photography from 2025; Ontario runs 21.5% plus a VFX and post credit.
Note	Credits are labour-based, so the effective recovery depends on your local wage bill.
Best for	Studio features and series with heavy local crew and VFX.

SECTION 7

India in focus: the enhanced scheme

India is the reason this reference exists. For years its incentive carried a cap so low, roughly USD 260,000, that large productions ruled it out on sight. That cap is gone. The scheme was overhauled to court big-budget international work, and any comparison built on the old number is simply wrong.

THE CHANGE

USD 3.6M

per-project cap under the enhanced scheme — up from roughly USD 260,000. The base rate is 30% of qualifying Indian spend, with up to 10% in bonuses on top.

How the rate is built

Component	Value	Condition
Base reimbursement	30%	On qualifying production expenditure in India
Manpower bonus	+5%	Employing 15% or more Indian manpower
Content bonus	+5%	Significant Indian content in the production
Effective ceiling	up to 40%	All conditions met, within the cap

Minimum spend is INR 2.5 crore, about USD 300,000, which keeps the scheme accessible to mid-budget features and series while the raised cap finally makes it worthwhile for large ones. Disbursement is first-come, first-served against the scheme's annual allocation, so timing the application matters.

Why it belongs on every shortlist now: India pairs a competitive 30–40% recovery with the lowest cost base of any major English-comfortable crew market, deep studio infrastructure across Mumbai, Hyderabad and the south, and locations from Himalaya to backwater. The cap was the only thing holding it back, and the cap has moved.

SECTION 8

Cross-territory comparison

> A single view of the headline rate against the entry threshold and the cost base. Read it as a shortlist tool, not a ranking: the right territory depends on your genre, budget scale and where the story lives.

Territory	Headline rate	Minimum spend	Per-project cap	Cost base
Saudi Arabia	up to 60%	Days-based; pre-approval	Not published	High
Canary Islands (ES)	up to 54%	EUR 1M	EUR 36M/feature	Medium
Abu Dhabi	35–50%	Spend-based	50% share	High
Jordan	25–45%	USD 250k	USD 5.25M	Medium
India	30–40%	~USD 300k	~USD 3.6M	Low
Colombia	40% / 20%	~USD 640k	Programme	Low
UK	34% (39% VFX)	None; 10% UK	None (VFX)	High
Romania	30%	Call-based	EUR 55M/yr	Low
Hungary	30%	None	Annual ceiling	Medium
France	30% (40% VFX)	EUR 250k	EUR 30M	High
Morocco	30%	MAD 10M	None	Low
Thailand	15–30%	THB 50M	None	Low
Australia	30% federal	AUD 20M	None	High
USA (e.g. Georgia)	20–40% (state)	State-defined	Often none	High
Portugal	25–30%	EUR 500k	~EUR 6M refund	Medium
New Zealand	20–25%	NZD 4M	None	Medium

Rates are headline ceilings; most productions earn the base plus one or two uplifts. Territories flagged elsewhere in this document as frozen (South Africa) or non-rebate (Egypt, Indonesia, Brazil) are omitted here to avoid a misleading comparison.

SECTION 9

Eligibility and compliance checklist

> Nearly every rebate turns on the same handful of conditions and the same audit discipline. Confirm these before you lock a territory, and run them from day one of prep, not at wrap.

BEFORE YOU COMMIT

☐ Local production partner or service company in place

☐ Minimum local spend cleared with room to spare

☐ Cultural test or points pre-scored, not assumed

☐ Cap checked against your in-country budget

☐ Film-commission pre-approval secured before the shoot

☐ Payment timeline modelled into cash flow

THROUGH PRODUCTION

☐ Daily cost tracking against qualifying categories

☐ Compliant invoices from locally registered vendors

☐ Payroll and crew nationality logs maintained

☐ In-country payments only for eligible spend

☐ Location and permit records kept in order

☐ Insurance and legal compliance to territory rules

The single most common failure: paying an international vendor from outside the territory for something that would have qualified if paid locally. Route eligible spend through in-country, trade-registered vendors, or it simply does not count toward the rebate.

At claim

The claim stands or falls on the audit file: a complete cost report, vendor invoices, local payroll, contracts and receipts, equipment agreements, crew rosters with nationality, and any tax-exemption certificates. Build that file as you go. Reconstructing it after wrap is where recoveries shrink, and where the difference between the headline rate and the rate you actually receive is quietly lost.

SECTION 10

Choosing a territory

> The highest rate rarely wins on its own. The right territory is the one where the rate you will actually earn, the cost base, the crew depth and the look all line up with your specific project. A simple mapping by project type gets most shortlists close.

Project type	Where to look first	Why
High-budget studio feature	Saudi Arabia, Abu Dhabi, UK, Australia	Top rates and studio scale, once prep time and imported HODs are budgeted.
Mid-budget feature or series	India, Jordan, Hungary, Colombia	Strong recovery against a low-to-medium cost base and accessible thresholds.
VFX and post-heavy	UK (39% VFX), France, Canada	Enhanced VFX and post rates that stack with the core credit.
Desert and ancient-world	Jordan, Morocco, Saudi Arabia	Signature landscape plus real regional crew, at three different price points.
Commercials and travel content	Thailand, Morocco, India, Chile	Fast service infrastructure and low cost, with light entry thresholds.

HOW WE HELP

Line Producers India runs productions across India and coordinates international shoots through a network of local partners in the Middle East, Europe and beyond. We model the rebate you will realistically earn, structure spend so it qualifies, and manage the audit file from prep to disbursement. For the current cash-rebate detail on any single territory, ask us for the country handbook, or start at **lineproducersindia.in**.

Figures in this reference are compiled from national film commissions and government incentive guidelines and reflect published programmes at the time of writing. Rates, thresholds, caps and eligibility change frequently. This document is planning guidance, not legal, tax or financial advice; confirm current terms with the relevant authority before committing a budget. Prepared by Line Producers India (Celluloid Pact).