

Return all applications and attachments to:

Motion Picture Production Tax Incentives Program
Arizona Department of Commerce
1700 W. Washington, Suite 600
Phoenix, AZ 85007

Questions regarding Motion Picture Production
Tax Incentives can be directed to
motionpicture@azcommerce.com

**Arizona Department of Commerce
Motion Picture Production Tax Incentives Program**

**INITIAL APPLICATION FOR PRE-APPROVAL FOR A
MOTION PICTURE PRODUCTION COMPANY
2006 Calendar Year Cap**

(For tax incentives under A.R.S. § 41-1517)

Section A. Company Information

Company Name	_____	FEI Number	_____
AZ Physical Address	_____	City, State & Zip	_____
Mailing Address	_____	City, State & Zip	_____
Financial Contact Name	_____	Contact Phone	_____
Email Address	_____	Contact Fax	_____
Website Address	_____		

Section B. Motion Picture Production Tax Incentives

Please indicate which of the following incentives the company intends to pursue.

- | | | | | |
|---|--------------------------|-----|--------------------------|----|
| 1. Transaction privilege tax exemption on tangible personal property? | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| 2. Transaction privilege tax exemption on the lease or rental of lodging space? | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| 3. Transaction privilege tax exemption on catered food, drink and condiments? | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| 4. Transaction privilege tax exemption on a construction contract? | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| 5. Use tax exemption on tangible personal property? | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| 6. Income tax credits? | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |

Section C. Production List

Is this initial application based on a single production or an aggregated group of productions?

Please list each production. (Use an attachment if more space is needed.)

1. _____
2. _____
3. _____
4. _____
5. _____

Commerce Use Only	
Priority Placement #	_____
Pre-Approval Type	_____
Effective Date	_____

Section D. Production Information

To be eligible for Motion Picture Production Tax Incentives a company must anticipate spending at least \$250,000 in qualifying Arizona production costs in each twelve-month period. **If the company has multiple productions at the time of initial application and chooses to apply as an aggregated group, Section D of this form must be completed for each production.** Upon completion of production the company must submit a Completion Report to Commerce in which it attests to being primarily engaged in producing motion pictures. In addition, the company must certify and submit evidence that the requirements of A.R.S. § 41-1517 were met. **If a company doesn't meet the program requirements during all pre-approval periods, the company's pre-approval(s) will be revoked.** Then Commerce will notify the Arizona Department of Revenue of the company's ineligibility, which initiates denial and recapture of incentives for all pre-approval periods. See Program Guidelines for definitions.

Company Name: _____

Name of the motion picture production: _____

Type of production: (Check only one.)

Feature Film Documentary Still Photography Pilot Presentation

Made for TV Direct to Video Music Video Broadcast (newscast or sportscast)

Still Photography TV Series Commercial Advertisement

(Note: a separate Section D must be completed for each TV episode, still photography shoot and commercial advertisement.)

Other: _____

Name of the proposed director: _____

Name of the proposed producer: _____

Location of pre-production: _____

Location of principal-production: _____

Location of post-production: _____

Proposed Arizona location for production: _____

What is the estimated pre-production total budget? \$ _____

What is the estimated principal-production total budget? \$ _____

What is the estimated post-production total budget? \$ _____

What is estimated total budget of the production? \$ _____

Total estimated expenditures in Arizona for the motion picture production? \$ _____

What is the estimated total percentage of production expenditures taking place in Arizona? _____ %

Please state the number of full-time employees working on the production(s). _____

Please estimate the percentage of full-time employees working on the production who are Arizona residents. (Must be at least 25% to qualify for 2006 calendar year cap) _____ %

What is the projected start date in Arizona? (Month, Day, Year) _____ What is the projected last production date in Arizona? (Month, Day, Year) _____

What is the projected release date? (Month, Day, Year) _____

Please provide a brief summary of the motion picture production. (Use an attachment if more space is needed.)

Is the production intended for commercial distribution or licensing in the delivery medium used?

Attach a copy of the script, including synopsis, for the motion picture production. (Required)

Attach a preliminary list of the cast and crew of the motion picture production. (Required)

Section E. Supporting Information

Is the company primarily engaged in the business of producing motion pictures? Yes No

Name of Arizona banking institution: _____

Arizona bank account number: _____

Attach a voided check to document the Arizona bank account. (Required)

What was the Arizona gross payroll (excluding benefits) for full-time employees in the past year? \$ _____

What was the Arizona average hourly wage paid to full-time employees in the past year? \$ _____

Does the company pay for health insurance premiums or membership fees for full-time employees? Yes No

If yes, what percentage does the company pay? _____ %

If the company made an investment in fixed assets during the previous twelve-months in anticipation of this production(s), please complete the following:

Land	\$	_____
Building	\$	_____
Equipment/Machinery	\$	_____
Total	\$	_____

Section F. Affidavit

As an officer of the company, I certify under penalty of perjury that the information contained herein is true and correct according to my best belief and knowledge after a reasonable investigation of the facts and that the company:

- Qualifies as a Motion Picture Production Company as described in A.R.S. §41-1517;
- Assures the production(s) is not obscene, does not depict sexual activity or sexually exploit a minor as established under A.R.S §41-1517(E);
- Shall allow inspections and audits by the Arizona Department of Commerce as are reasonably necessary to verify the accuracy of the submitted information;
- Authorizes Commerce and Revenue to adjust, terminate or recapture all or part of the tax incentives for noncompliance with program requirements;
- Agrees to furnish records of Arizona expenditures to Commerce and Revenue on request;
- Agrees to submit a Re-qualification Application to ADOC, prior to expiration of the current qualification in order to maintain eligibility if the production(s) extends beyond the initial pre-approval period;
- Agrees to submit a Completion Report to ADOC, within 30 days of completion of the productions as shown in the initial application including Calculation of Arizona Residency Forms 1 & 2 and a report of expenditures;
- Must apply for an exemption certificate from the Arizona Department of Revenue to receive the transaction privilege tax or use tax exemptions;
- Shall use the personal property purchased free of transaction privilege tax or use tax directly in the motion picture production;
- Will use buildings and structures purchased free of transaction privilege tax in association with the motion picture production; and
- Agrees to notify its prime contractor for construction projects to apply to the Arizona Department of Revenue for a Letter of Qualification, prior to beginning work under the contract.

Signature of Authorized Officer

Title

Print Name

Date