

**MINISTRY FOR CULTURAL ASSETS AND ACTIVITIES**

**General Directorate for Cinema**

**FILM PRODUCERS “TAX CREDIT” DECREE**

**Ministerial Decree implementing provisions regulating tax credits granted to film production companies, as referred to in law no. 244 of 2007**

**MINISTRY FOR CULTURAL ASSETS AND ACTIVITIES**



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*in concert with the MINISTRY OF ECONOMY AND FINANCE*

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**HAVING REGARD TO** article 1 of law no. 244 of 24 December 2007, concerning the “Provisions regulating the preparation of the annual and multiannual State budget”, and in particular paragraphs 327, lett. a), 329, 333, 334, 335, 336, 337, 343, concerning introductory measures of tax credits aimed at the development of film production activities;

**HAVING REGARD TO** paragraphs 333 and 336 of the above mentioned article 1, which provide that the provisions implementing the aforesaid tax incentive measures are laid down through ministerial decree;

**HAVING REGARD TO** law no. 161 of 21 April 1962, and subsequent amendments “Review of films and theatrical works”;

**HAVING REGARD TO** decree-law no. 79 of 28 March 1997 on matters concerning “Urgent measures for the rebalancing of public finance”, implemented, with amendments, by law no. 140 of 28 May 1997;

**HAVING REGARD TO** legislative decree no. 241 of 9 July 1997, “Provisions for the simplification of tax-payers’ fulfillment of their income statement and value-added tax obligations, as well as for the modernization of the income statement management system”;

**HAVING REGARD TO** legislative decree no. 471 of 18 December 1997, on the “Reform of non-penal tax sanctions related to direct taxes, value-added taxes and tax collection, within the meaning of article 3, paragraph 133, letter q), of Law no. 662 of 23 December 1996”;

**HAVING REGARD TO** legislative decree no. 472 of 18 December 1997, on the “General provisions regulating administrative sanctions for the breach of tax regulations, within the meaning of article 3, paragraph 133, of Law no. 662 of 23 December 1996”;

**HAVING REGARD TO** European Commission Communication of 26 September 2001 on certain legal aspects concerning film works and the other audio-visual works;

**HAVING REGARD TO** legislative decree no. 28 of 22 January 2004, and subsequent amendments “Reform of regulations governing cinematographic activities”;

**HAVING REGARD TO** law no. 311 of 30 December 2004, “Provisions regulating the preparation of the annual and multiannual State budget”, and in particular article 1, paragraphs from 421 to 423;

**HAVING REGARD TO** the decree of the Minister for Cultural Assets and Activities of 12 April 2007 “Technical modalities in support of cinematographic production and distribution”;

**HAVING REGARD TO** the Decree of the President of the Council of Ministers of 23 May 2007 “Regulations governing the modalities for preparing the declaration substituting the attested



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affidavit, concerning given State aid, declared incompatible by the European Commission, as referred to in article 1, paragraph 1223, of Law no. 296 of 27 December 2006”;

**HAVING REGARD TO** the Decision of the Director of the Agenzia delle entrate (Revenue Italy) of 6 August 2007, published on the Official Gazette of the Republic of Italy no. 194 dated 22 August 2007, “Approval of the declaration substituting the attested affidavit concerning given State aid declared incompatible by the European Commission”, and subsequent amendments;

**AFTER CONSULTING** the Minister of Economic Development;

**HAVING REGARD TO** the decision to grant authorization no. N595/2008 of 18 December 2008 of the European Commission, following notice of the Ministry for Cultural Assets and Activities of 25 November 2008, given pursuant to article 88, third paragraph, of the Treaty establishing the European Community, according to what is provided for by article 1, paragraphs 334 and 343, of the above mentioned law no. 244 of 2007

### **ADOPTS THE FOLLOWING DECREE:**

#### **Art. 1 - Definitions**

**1. *Film production companies***, for the purpose of enforcing article 1, paragraph 327, lett. a) of law no. 244 of 2007, hereinafter: law, means those companies, resident and non resident, including non commercial bodies related to the business activity carried out, taxable in Italy, which, at the time of submission of the request referred to in articles 3 and 5 of this decree, are registered, or have submitted a registration request, in the information register established and kept, pursuant to article 3, first paragraph of legislative decree no. 28 of 22 January 2004, and subsequent amendments, hereinafter: legislative decree, with the Ministry for Cultural Assets and Activities. With reference to film production companies established in the form of stock corporations, a minimum fully paid-in share capital and a minimum of forty thousand euros of net assets are also required, in case the subject matter of the request referred to in article 3 of this decree is a full-length film, and a minimum of ten thousand euros, in case the subject matter of said request is a short film. With reference to individual film production companies and to those established in the form of partnerships, the latter must have a minimum net assets of forty thousand euros or ten thousand euros in the case where the subject matter of the request referred to in article 3 of this decree is a full-length film or a short film respectively.

**2. *Executive film production and post-production companies***, for the purpose of enforcing article 1, paragraph 335, of the law, means film production companies and the technical film industries, resident and non resident, taxable in Italy, which, at the time of submission of the request referred to in article 5 of this decree, are registered, or have submitted a registration request, in the appropriate information register established and kept, pursuant to article 3, first paragraph, of the legislative decree, and which, on commission by a foreign film production company, carry out, availing themselves mainly of Italian or European labor, activities necessary for the production of films or parts of films in Italy and in Europe, as referred to in paragraph 8 of this article.



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**3. Foreign film production company** means an company which does not have a registered office, fiscal domicile or permanent establishment in Italy.

**4. Italian film works**, entitled to the measures referred to in article 1, paragraph 327, lett. a) of the law, means those which satisfy the requirements referred to in article 5 of the legislative decree and which satisfy the cultural eligibility requirements according to the terms and conditions referred to in table A, attached to this decree; other works to be so treated are those made as co-productions and in co-operation with foreign film production companies within the meaning of article 6 of the legislative decree. *Film works of cultural interest* mean those which satisfy the requirements referred to in article 7 of the legislative decree. Works of cultural interest which satisfy the cultural requirements within the meaning of table A and of table B, attached to this decree, are entitled to the measures referred to in article 1, paragraph 327, letter a) of the law.

**5. Difficult films**, as referred to in the EU Commission Communication of 26 September 2001, hereinafter: Communication, means first and second cinematographic works, documentaries, short films, works produced by film schools recognized by the Italian government, including any works of cultural interest that do not fall within the previous categories, which exceed the score of 70 points in the eligibility test related to full-length films performed within the meaning of table B attached to this decree and which are judged by the Commission for cinematography as referred to in article 8 of the legislative decree as unable to attract large financial resources and penalized in reaching a wide audience.

**6. Films with modest financial resources**, as referred to in the Communication, means the cinematographic works the overall production cost of which, as defined in paragraph 9 of this article, does not exceed 1,500,000 euros and which satisfy the cultural eligibility requirements according to the terms and conditions referred to in table A attached to this decree. The related certificate is issued at the request of the film production company concerned and after the necessary inspections have been conducted by the Commission for cinematography as referred to in article 8 of the legislative decree, also through the assignment of tasks to subjects registered in the Register of Auditors.

**7.** For the purpose of recognizing the nationality requirements referred to in this article, the citizens belonging to the Countries of the European Economic Area - EEA are to be treated as Italian citizens.

**8. Cinematographic works entitled to the measures** referred to in article 1, paragraph 335, of the law, means the films of a nationality other than the Italian one which satisfy the cultural eligibility requirements according to the terms and conditions referred to in table C, attached to this decree.

**9.** For the purposes of this decree, the *cost of production up to the master copy* of a cinematographic work corresponds to the *total production cost*, as specified, item by item, in table D, attached to this decree. In the total production cost:

- a) the financial expenses, insurance expenses and warranty expenses are to be taken into account up to the maximum overall amount equivalent to 7.5% of the production cost;



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- b) overhead expenses are to be taken into account, in the percentage corresponding to the ratio between number of shooting days and annual days and, at any rate, up to a maximum amount of 7.5% of the cost of production; at aggregate level, only subordinate staff expenses and expenses for independent assistants not involved in the production of cinematographic works, as well as any expenses related to the use of locations for the purpose of carrying out corporate activities not directly connected to the production of films;
- c) production staff costs, net of social security contributions and insurance charges, shall not exceed the amount equivalent to twenty-five percent of the total cost;
- d) the producer fee is not to be taken into account.

**10.** *Production expenses incurred in Italy* means the expenses listed in table D, as referred to in paragraph 9 of this article. Such expenses, with the exception of those related to studios and scene constructions, development and printing, rental of technical equipment, purchase of films and post-production, are taken into account at one-hundred percent of their value if more than 50% of the total shooting days are carried out in Italy. Up to 50% of shooting days, such expenses are taken into account in the percentage corresponding to the ratio between number of shooting days in Italy and the total number of shooting days. The expenses related to studios and scene constructions, development and printing, rental of technical equipment, purchase of films and post-production are taken into account based on the costs actually incurred in Italy.

**11.** *Contributions to films of national cultural interest* means those films deliberated by the Ministry for Cultural Assets and Activities, within the meaning of article 13 of the legislative decree, in favor of the film works recognized as of cultural interest by the Commission for cinematography as referred to in article 8 of the same legislative decree.

## **Art. 2 – Tax credits granted to film production companies**

**1.** For the tax period following that closing as at 31 December 2007 and for the two subsequent periods, film production companies are entitled to a tax credit equal to fifteen percent of the total cost of production, as defined in article 1, paragraph 9, of this decree, of cinematographic works of recognized Italian nationality, up to a maximum yearly amount of euro 3,500,000.

**2.** The entitlement to the tax credit referred to in this article shall take effect starting from the month after the month in which the following conditions jointly occur: a) the production expenses referred to in article 1, paragraph 9, of this decree are considered incurred within the meaning of article 109 of the Italian Income Tax Code (TUIR); b) the actual payment of the expenses referred to in letter a) has been made. In derogation to what is provided for in the previous sentence, the services rendered by the director, actors, authors indicated in art. 17, paragraph 4, of the legislative decree, as well as by the authors of the costumes, unless completed, are considered rendered proportionally to the shooting days of the month versus those required overall.

**3.** In co-productions, each co-producer is entitled to a tax credit proportionate to the production expenses directly incurred by the latter. Mere reimbursements of costs between co-producers are not taken into account. Strictly for the purpose of calculating the limit referred to in the first paragraph



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of this article, tax credit is granted, in any case, to each co-producer in proportion to their actual shareholding.

4. The eligibility to the tax credit for expenses directly incurred in an amount exceeding the actual share held in the production is subject to the authorization by the co-producers, to whom credit is granted within the meaning of the last sentence of paragraph 3 of this article, as well as to the certification by the latter that the limit referred to in paragraph 1 has not been exceeded.

5. With regards to film productions regulated by works contracts or similar, both the subject who performs the duties of executive producer and the contracting producer are entitled to the tax credit, in proportion to the production expenses directly incurred by each of them. Mere reimbursements of costs to the executive producer are not taken into account. Strictly for the purpose of checking whether the limit referred to in the first paragraph of this article has been exceeded, the tax credit is in any case charged in full to the contracting producer.

6. Eligibility to the tax credit on the part of the executive producer is subject to the authorization of the contracting producer, to whom the credit is granted within the meaning of the last sentence of paragraph 5 of this article, as well as to the certification that the limit referred to in paragraph 1 has not been exceeded.

7. The tax credit is revoked in the event that the film production company does not incur production expenses in Italy, within the meaning of article 1, paragraph 10, of this decree, in the total amount, for each film, of at least eighty percent of the same tax credit. With respect to the productions referred to in paragraphs 3 and 5 of this article, the same applies with reference to the total production expenses actually incurred. Under such limit, any expenses incurred abroad are considered eligible, for the purpose of calculating the tax credit, only if the latter are not used to gain similar benefits in the Member State where they are actually incurred.

8. Entitlement to the tax credit ceases in the event that, pursuant to article 1, fourth paragraph, of Ministerial Decree dated 12 April 2007 concerning "Technical modalities in support of cinematographic production and distribution", the requirement of Italian nationality of the film temporarily granted pursuant to the third paragraph of the same article is not definitively recognized. In that case, the competent authorities shall also recover any advantage already enjoyed.

9. The tax credit is revoked for film production companies which, pursuant to article 5, paragraph 9 of Ministerial Decree dated 12 April 2007, are taken over by another film production company. In that case, the competent authorities shall also recover any advantage already enjoyed. The subsequent company is qualified to submit, in its name, the requests and communications referred to in article 3 of this decree within 30 days from the take-over.

### **Art. 3 – Procedures for granting tax credits to film production companies**

1. Under penalty of lapse of entitlement, prior to availing the tax credit, the subjects concerned must, with reference to each cinematographic work, submit the following:



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a) a declaration substituting the attested affidavit, to be tele-transmitted to the Agenzia delle Entrate (N.d.T.: Revenue Italy), approved by resolution of the Director of the Agenzia delle Entrate of 6 August 2007, implementing the decree of the President of the Council of Ministers dated 23 May 2007, concerning specific State aid, declared incompatible by the European Commission;

b) a communication, to the Ministry for cultural assets and activities, to be drawn up using models prepared by the same Ministry within thirty days from the entry into force of this decree, containing, among other things:

1) with regards to films of Italian nationality, the request of recognition of the Italian nationality within the meaning of art. 5 of the legislative decree and the certification of compliance with the cultural eligibility requirements according to the parameters referred to in table A attached to this decree;

2) with regards to films of cultural interest, the request of recognition of cultural interest within the meaning of art. 7 of the legislative decree and the certificate of compliance with the cultural eligibility requirements according to the parameters referred to in tables A and B attached to this decree;

3) when the requirements are fulfilled, the request of recognition of the status of difficult film or of film with modest financial resources, or of both of the above.

4) the film work plan, with an indication of the shooting days required.

**2.** Within the end of the month subsequent to the month of receipt of the communication referred to in the first paragraph, lett. b) of this article, the Ministry for cultural assets and activities shall communicate to the subjects concerned, through registered letter with return receipt, the temporary cultural ineligibility of the film within the meaning of article 1 of this decree. The subjects concerned may re-submit the communication referred to in the second paragraph, lett. b) only once with reference to the same cinematographic work.

**3.** Under penalty of lapse of entitlement to the tax credit, the film production company shall submit an appropriate request, to be drawn up using models prepared by the same Ministry within thirty days from the entry into force of this decree, to the Ministry for cultural assets and activities within 90 days from the date of request of the authorization to project the film in public as referred to in law no. 161 of 21 April 1962. In any case, for each cinematographic work, the following must be specified in the request:

a. the total cost of production including the certification of effectiveness of expenses incurred issued by the Chairman of the Collegio Sindacale (N.d.T.: Supervisory Board) or by an auditor or professional registered in the Register of Auditors, of Chartered Accountants, of Accountants or in that of Employment Experts, in the forms provided for by article 13, second paragraph, of the decree-law no. 79 of 28 March 1997, implemented, with amendments, by law no. 140 of 28 May 1997 and subsequent amendments, or by the officer in charge of the tax center;

b. the total number of shooting days and the number of shooting days in Italy;



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- c. the amount of tax credit payable to the film production company within the meaning of article 2 of this decree and that already availed, as well as the month in which the entitlement to avail the tax credit first arose;
- d. the amount of expenses incurred abroad, specifying any availed benefits.
- e. the effected submission of the declaration and of the communications referred to in the first paragraph.

**4.** With respect to the productions referred to in article 2, third paragraph of this decree, the substitutive declaration obligations referred to in the first paragraph, lett. a), of this article, the communication obligations referred to in the first paragraph, lett. b), and the request referred to in the third paragraph must be fulfilled by each co-producer; the joint submission of the declaration, communication and request, signed by all the co-producers, is also admitted. As for the productions referred to in article 2, fifth paragraph, of this decree, the substitutive declaration and the communication referred to in the first paragraph of this article and the request referred to in the third paragraph are to be submitted by the contracting producer; the request shall contain the certificate of the executive producer strictly with regards to the fulfillment of the condition provided for by article 2, seventh paragraph, of this decree.

**5.** Within 60 days from the date of receipt of the request referred to in the third paragraph of this article, the Ministry for cultural assets and activities shall communicate to the subjects concerned, through registered letter with return receipt, the amount of credit payable. In case of failure to send the communication within the specified deadline, the tax credits shall be deemed payable to the extent indicated in the request.

**6.** The entitlement to the tax credit shall lapse in case the film does not satisfy the cultural eligibility requirements within the meaning of article 1 of this decree, or in case the other requirements provided for are not satisfied. In that case, the competent authorities shall also recover any advantage already enjoyed.

**7.** The Ministry for cultural assets and activities shall tele-transmit to the Agenzia delle entrate, on an annual basis, within 30 April of the year following that in which the entitlement to the tax credit was communicated within the meaning of the fifth paragraph of this article, the list of subjects who are eligible for the tax credits, on the basis of the requests submitted and the related amounts payable to each applicant.

**8.** With respect to cinematographic works for which, as of the date of entry into force of this decree, a request for authorization to project the film in public as referred to in law no.161 of 21 April 1962 has already been submitted, the subjects concerned shall submit the request referred to in the third paragraph of this article within 60 days from the entry into force of this decree. The request shall be accompanied with the declaration referred to in the first paragraph, lett. a), of this article, as well as with the communications referred to in paragraph 1, lett. b). The requirements referred to in article 6 and in article 8, paragraph 7, of this decree do not apply. The deadline as referred to in paragraph 5 of this article is extended by 30 days.





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#### **Art. 4 – Executive film production companies and technical industries eligible for tax credit**

1. Executive film production companies and technical industries are eligible for tax credit, for the tax period following the one closing as at 31 December 2007 and for the two subsequent accounting periods, in relation to the effective production in Italy, on commission by foreign productions, of films, or parts of films, as referred to in article 1, paragraph 8, of this decree, availing themselves for the most part of Italian or EU labor, to an extent equal to 25 percent of the production cost of the individual work and, at any rate, up to a maximum, for each film of 5,000,000.

2. The tax credit is granted in relation to the production expenses, incurred in Italy, which do not exceed 60% of the overall film production budget. Any expenses incurred in another EU member State are to be treated as expenses incurred in Italy up to a maximum of 30% of the overall film production budget.

3. The tax credit referred to in paragraph 1 of this article may not be cumulated with the tax credit referred to in article 2 of this decree.

4. The entitlement to the tax credit referred to in this article shall take effect starting from the month after the month in which the following conditions jointly occur: a) the production expenses referred to in paragraph 1 of this article are considered incurred within the meaning of article 109 of the Italian Income Tax Code (TUIR); b) the actual payment of the expenses referred to in letter a) of this paragraph has been made. In derogation to what is provided for in the previous sentence, the services rendered by the director, actors, and by the authors indicated in art. 17, paragraph 4, of the legislative decree, as well as by the authors of the costumes, unless completed, are considered rendered proportionally to the shooting days of the month versus those required overall in Italy.

#### **Art. 5 – Procedures for granting tax credits to executive film production companies and technical industries**

1. Under penalty of lapse of entitlement, prior to availing the tax credit, the subjects concerned must submit the following:

a) a declaration substituting the attested affidavit, to be tele-transmitted to the Agenzia delle entrate, approved by resolution of the Director of the Agenzia delle Entrate of 6 August 2007, implementing the decree of the President of the Council of Ministers dated 23 May 2007, concerning specific State aid, declared incompatible by the European Commission;

b) a communication, to the Ministry for cultural assets and activities, to be drawn up using models prepared by the same Ministry within thirty days from the entry into force of this decree, containing, among other things, the certificate of compliance with the cultural eligibility requirements according to the parameters referred to in table C attached to this decree as well as the film production work plan with an indication of the shooting days required in Italy or in another European country.



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**2.** Within the end of the month subsequent to that in which the communication is received, the Ministry for cultural assets and activities shall communicate to the subjects concerned, via registered letter with return receipt, the non-eligibility of the film within the meaning of article 1, paragraph 8, of this decree. In that case, the subjects concerned may re-submit the communication referred to in paragraph 1, lett. b) of this article only once with reference to the same cinematographic work.

**3.** Under penalty of lapse of entitlement to the tax credit, the subjects concerned shall submit an appropriate request, within 30 days from the conclusion of activities, using models prepared by the same Ministry within thirty days from the entry into force of this decree, to the Ministry for cultural assets and activities. The request must be signed also by the legal representative of the foreign film production company hiring the services. In any case, for each cinematographic work, the following must be specified in the request:

- a) the total cost of production including the certification of effectiveness of expenses incurred issued by the Chairman of the Collegio Sindacale (N.d.T.: Supervisory Board) or by an auditor or by a professional registered in the Register of Auditors, of Chartered Accountants, of Accountants or in that of Employment Experts, in the forms provided for by article 13, second paragraph, of decree-law no. 79 of 28 March 1997, implemented, with amendments, by law no. 140 of 28 May 1997 and subsequent amendments, or by the officer in charge of the tax center;
- b) the total amount of production expenses incurred in Italy, as well as those incurred in another EU member State;
- c) the total amount of tax credit payable to the companies as referred to in article 4, paragraph 1, of this decree, and that already availed, as well as the month in which the entitlement to avail the tax credit first arose;
- d) the effected submission of the declarations and communications as referred to in paragraph 1 of this article.

**4.** The tax credits are recognized after verification by the Ministry for cultural assets and activities of their eligibility in relation to the fulfillment of the subjective and objective requirements and of the formal requirements. The Ministry for cultural assets and activities shall communicate to the subjects concerned, through registered letter with return receipt, within 60 days from the date of receipt of the request as referred to in paragraph 3 of this article, the credit amount payable. In case of failure to send the communication within the specified deadline, the tax credits shall be deemed payable in the amount indicated in the request.

**5.** With respect to cinematographic works for which, as at the date of entry into force of this decree, the production activities have already been completed, the subjects concerned must submit the request referred to in paragraph 3 within 60 days from the entry into force of this decree. The request must be accompanied with the declaration referred to in paragraph 1, lett. a), of this article, as well as with the communication referred to in paragraph 1, lett. b). The requirements referred to in article 6 and article 8, paragraph 7, of this decree do not apply. The deadline referred to in paragraph 4 is extended by 30 days.



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6. The entitlement to the tax credit shall lapse in case the film does not fulfill the cultural eligibility requirement within the meaning of article 1, paragraph 8, of this decree, or in case the other requirements provided for are not satisfied. In that case, the competent authorities shall also recover any advantage already enjoyed.

7. The Ministry for cultural assets and activities shall tele-transmit to the Agenzia delle entrate, on an annual basis, within 30 April of the year following that in which the entitlement to the tax credit was communicated within the meaning of the fourth paragraph of this article, the list of companies which are eligible for the tax credits, on the basis of the requests submitted and the related amounts payable to each applicant.

#### **Art. 6 – Insurance coverage**

1. Under penalty of lapse of entitlement to the benefits referred to in articles 2 and 4 of this decree, each company must provide, for the film giving rise to the benefits, for the following forms of insurance coverage: negative film damage, faulty stock, cast insurance, extra expense, crew & actors' guild, and general and employer's liability.

#### **Art. 7 – Prevention of overlapping of benefits**

1. The tax credits referred to in this decree and the contributions referred to in article 13 of the legislative decree, as well as the other public support measures shall not exceed the total of fifty percent of the cost of production of the cinematographic work. This limit is extended to eighty percent in the case of films as referred to in article 1, paragraphs 5 and 6, of this decree.

2. The Ministry for cultural assets and activities shall take into account the limits referred to in paragraph 1 of this article when the balance of the contributions referred to in article 13 of the legislative decree is paid (*box office subsidies*).

#### **Art. 8 – Common provisions**

1. The tax credits referred to in this decree are not counted for the purposes of income tax and of the regional tax on production, are not caught by the relationship referred to in articles 61 and 109, paragraph 5, of the Italian Income Tax Code (TUIR), and may be availed strictly as a set-off within the meaning of article 17 of legislative decree no. 241 of 9 July 1997, starting from the date in which, pursuant to the previous provisions, they become payable and, in any case, provided that the procedures set out in article 3, paragraph 1, and in article 5, paragraph 1, of this decree are, under penalty of lapse of entitlement, followed.

2. The tax credits payable must be indicated, under penalty of lapse of entitlement, both in the income statement related to the period in which the credit is recognized, and in the income statement related to the tax period in which the credits are availed, clearly highlighting the amount payable from the amount availed, taking into account what is set out in article 2, third paragraph, last sentence, and in article 2, fifth paragraph, last sentence, of this decree.



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3. If, following the inspections carried out by the Ministry for cultural assets and activities, it is ascertained that an overpayment, also in part, was made of the tax credits of this decree as a result of the failure to satisfy the conditions required by the regulations or of the ineligibility of the costs based on which the availed benefits were established, the Ministry shall tele-transmit a communication to the Agenzia delle entrate which will subsequently proceed to the recovery of the related amount, together with interest and penalties as according to law.
4. The recovery of the overpaid tax credit is carried out in accordance with the provisions set out in article 1, paragraphs from 421 to 423, of law no. 311 of 30 December 2004, within 31 December of the fourth year following that in which the credit was revoked or re-assessed. As regards any matter not expressly regulated by this decree, the provisions concerning payment, ascertainment, collection and litigation for income tax purposes shall apply.
5. In any case, the Agenzia delle entrate shall communicate to the Ministry for cultural assets and activities, via telecommunications, any overpayment, whether in full or in part, of the tax credits ascertained during the ordinary inspection activities.
6. An executive resolution of the Ministry for cultural assets and activities and of the Agenzia delle entrate, to be issued within 60 days from the entry into force of this decree, shall lay down the terms, conditions and content of the transmission of the data referred to in paragraphs 3 and 5 of this article, and as referred to in article 3, paragraph 7, and in article 5, paragraph 7, of this decree.
7. With reference to the measures referred to in article 1, paragraph 327, lett. a), and paragraph 335, of the law, the film production company concerned is obliged to insert, in the main titles or in the end credits, an appropriate notice clearly specifying that the film was made also thanks to the tax credit provided for by law no. 244 of 24 December 2007.

#### **Art. 9 – Entry into force**

1. The tax credits are payable with reference to the production expenses for which the conditions provided for by article 2, paragraph 2, or by article 4, paragraph 4, of this decree are jointly verified after 1 June 2008.

This decree will be transmitted to the Supervisory Bodies.

Rome, 7 May 2009

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<b>TABLE A ART. 1, PARAGRAPH 4, MINISTERIAL DECREE ON TAX CREDITS</b>	
<b>CULTURAL ELIGIBILITY REQUISITES: ITALIAN FULL-LENGTH FILMS</b>	
<b>Requisite</b>	<b>Score</b>
<b>BLOCK A: CONTENT</b>	
A.1 Film script/screenplay adapted from Italian or European literary or theatrical work	10
A.2 Film script/screenplay concerning an Italian or European historical, legendary, religious, social, artistic or cultural subject	15
A.3 Film script/screenplay concerning an Italian or European celebrity of Italian or European, historical, religious, social, artistic or cultural import	15
A.4.1 Film script set in Italy (up to 60% of screenplay scenes are set in Italy 5 points; over 60%, 10 points; minimum threshold: 20% of the scenes) <sup>1</sup>  or  A.4.2. Outdoor scenes of the film shot in Italy with the aim to valorize artistic, architectural and archeological assets (up to 40% of outdoor scenes contained in the screenplay shot in Italy, 5 points; over 40%, 10 points; minimum threshold: 20% of the scenes) <sup>2</sup>	10 (5)
A.5 Original dialogues recorded in Italian or Italian dialect (minimum threshold: 50% of the scenes contained in the screenplay) <sup>3</sup>	10
<b>TOTAL SCORE A</b>	<b>60</b>
<b>BLOCK B: CREATIVE TALENTS</b>	
B.1 Presence of filmmakers originating from Italy or citizens of the Countries of the European Economic Area –EEA (a-director, b-author of the subject, c-scriptwriter, d-lead actor (one), e-supporting actor (one), f-author of music)	10 (max) 2 points for a), b), c) and d), 1 point for e) and f)
B.2 Presence of a creative talents originating from Italy or citizens of the Countries of the European Economic Area –EEA (a-director of photography, b-set designer, c-costumes designer, d-editor, e-set decorator, f-chief make-up artist)	10 (max) 2 points for a), b), c) and d), 1 point for e) and f)
<b>TOTAL SCORE B</b>	<b>20</b>
<b>BLOCK C: PRODUCTION</b>	
C.1 Scenes shot in a studio in Italy (up to 40% of the scenes contained in the screenplay are shot in Italian studios, 2 points; over 40%, 5 points: minimum threshold: 20% of the scenes) <sup>4</sup>	5(2)
C.2 Digital effects in Italy	3
C.3 Special effects in Italy	3
C.4 Music recording in Italy	2

<sup>1</sup> A film is considered to be set in Italy if the story takes place in Italy; to this end, it makes no difference whether the film is actually shot in Italy. If the required minimum threshold is not met, no points will be awarded.

<sup>2</sup> If the required minimum threshold is not met, no points will be awarded.

<sup>3</sup> If the required minimum threshold is not met, no points will be awarded.

<sup>4</sup> If the required minimum threshold is not met, no points will be awarded.



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C.5 Sound editing and mixing in Italy	2
C.6 Laboratory work in Italy	3
C.7 Final editing in Italy	2
<b>TOTAL SCORE C</b>	<b>20</b>
<b>TOTAL OVERALL</b>	<b>100</b>
<b>At least 2 from among requisites A.1, A.2, A.3 and A.4 of Block A are compulsory</b>	
<b>Minimum total score 50/100</b> required for the purpose of enforcing art. 1, paragraph 335, of law no. 244 dated 24 December 2007	



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<b>TABLE A ART. 1, PARAGRAPH 4, MINISTERIAL DECREE ON TAX CREDITS</b>	
<b>CULTURAL ELIGIBILITY REQUISITES: ITALIAN DOCUMENTARIES</b>	
<b>Requisite</b>	<b>Score</b>
<b>BLOCK A: CONTENT</b>	
A.1.1 Script/screenplay concerning scientific topics or Italian or European natural phenomena and historical, legendary, religious, social or artistic events  or A.1.2. Script/screenplay concerning a celebrity of Italian or European artistic, historical, religious, social or cultural import	15
A. 2 Script/screenplay concerning: lifestyles of Italian or European peoples/ethnic minorities	15
A.3. Script/screenplay designed for didactic and training purposes	8
A.4.1 Documentary subject matter set in Italy or in Europe (up to 40% of the screenplay scenes are set in Italy, 6 points; over 40%, 12 points; minimum threshold: 20% of the scenes) <sup>4</sup>  or A.4.2 Outdoor scenes shot in Italy (up to 40% of the outdoor scenes contained in the screenplay are shot in Italy, 6 points; over 40%, 12 points; minimum threshold: 20% of the scenes) <sup>5</sup>	12 (6)
A.5. Original dialogues or narrating voice are recorded in Italian or in Italian dialect (minimum threshold: 50% of the scenes contained in the screenplay) <sup>6</sup>	10
<b>TOTAL SCORE A</b>	<b>60</b>
<b>BLOCK B: CREATIVE TALENTS</b>	
B.1 Presence of a filmmaker originating from Italy or citizen of the Countries of the European Economic Area –EEA (a-producer, b-composer, c-director, d-scriptwriter)	6 (max) 1 point for a) and b); 2 points for c) and d)
B.2 Presence of a creative talent originating from Italy or citizen of the Countries of the European Economic Area – EEA (set decorator, chief make-up artist, costumes designer, director of photography, line producer, editor, set designer)	14 (max) (2 points for each professional figure)
<b>TOTAL SCORE B</b>	<b>20</b>
<b>BLOCK C: PRODUCTION</b>	
C.1 Scenes shot in a studio in Italy (at least 50% of shooting days outdoors)	6
C.2 Digital effects in Italy	2
C.3 Special effects in Italy	2
C.4 Music recording in Italy	2

<sup>5</sup> A documentary is considered to be set in Italy if the story takes place in Italy; to this end, it makes no difference whether the film is actually shot in Italy. If the required minimum threshold is not met, no points will be awarded

<sup>6</sup> If the required minimum threshold is not met, no points will be awarded.

<sup>7</sup> If the required minimum threshold is not met, no points will be awarded.



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C.5 Sound editing and mixing in Italy	2
C.6 Laboratory work in Italy	2
C.7 Final editing in Italy	2
<b>TOTAL SCORE C</b>	<b>20</b>
<b>TOTALE OVERALL</b>	<b>100</b>
<b>At least 2 from among requisites A.1, A.2, A.3 and A.4 of Block A are compulsory</b>	
<b>Minimum total score 50/100</b> required for the purpose of enforcing art. 1, paragraph 335, of law no. 244 dated 24 December 2007	





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<b>TABLE A, ART. 1, PARAGRAPH 4, MINISTERIAL DECREE ON TAX CREDITS</b>	
<b>CULTURAL ELIGIBILITY REQUISITES: ITALIAN ANIMATED FILMS</b>	
<b>Requisite</b>	<b>Score</b>
<b>BLOCK A: CONTENT</b>	
A.1 Film script/screenplay adapted from literary work	10
A.2 Film script/screenplay concerning an Italian or European historical, legendary, religious, social or artistic event	8
A.3 Film script/screenplay concerning a celebrity of Italian or European artistic, historical, religious, social or cultural import	8
A.4 Italian or European main character of the film script or screenplay	8
A.5 Film script/screenplay particularly suitable for children and young people	8
A.6 Film script/screenplay oriented toward the dissemination of the culture of humanitarian values, of integration and of social and racial inclusion, of dissemination of trades and professions	8
A.7 Original dialogues recorded in Italian or Italian dialect (minimum threshold: 50% of the scenes contained in the screenplay) <sup>7</sup>	10
<b>TOTAL SCORE A</b>	<b>60</b>
<b>BLOCK B: CREATIVE TALENTS</b>	
B.1 Presence of an Italian or European filmmaker originating from Italy or citizen of the Countries of the European Economic Area – EEA (composer, director, scriptwriter, narrating voice)	8 (max) (2 points for each professional figure)
B.2 Presence of an Italian or European creative talent originating from Italy or citizen of the Countries of the European Economic Area –EEA (character designer, animation supervisor, editor, set designer)	8 (max) (2 points for each professional figure)
B.3 Significant contribution to a film made by a contemporary artist originating from Italy, or citizen of the Countries of the European Economic Area – EEA, operating in a sector other than the film industry	4
<b>TOTAL SCORE B</b>	<b>20</b>
<b>BLOCK C: PRODUCTION</b>	
C.1 Pre-production in Italy (story boards, sketches)	4
C.2 Animation work in Italy (at least 50% of the total animation work expenditure)	4
C.3 Digital effects in Italy	2
C.4 Special effects in Italy	2
C.5 Music recording in Italy	2

<sup>7</sup> If the required minimum threshold is not met, no points will be awarded.



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C.6 Sound editing and mixing in Italy	2
C.7 Laboratory work in Italy	2
C.8 Final editing in Italy	2
<b>TOTAL SCORE C</b>	<b>20</b>
<b>TOTAL OVERALL</b>	<b>100</b>
<b>At least 2 from among requisites A.1, A.2, A.3, A.4, A.5 and A.6 of Block A are compulsory</b>	
<b>Minimum total score 50/100</b> required for the purpose of enforcing art. 1, paragraph 335, of law no. 244 dated 24 December 2007	



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## **TABLE B – CULTURAL ELIGIBILITY OF FILMS OF CULTURAL INTEREST**

### **ART. 1, PARAGRAPH 4, MINISTERIAL DECREE ON TAX CREDITS**

#### **1) FULL-LENGTH FILMS (excluding first and second works)**

##### **1.1) DISCRETIONAL SECTION (MAXIMUM SCORE OBTAINABLE: 60 POINTS)**

##### **A) VALUE OF SCRIPT AND SCREENPLAY (35 POINTS)**

**21 points is a passing score.**

**Useful indicators:**

1. Originality of idea 2. Relevance of subject 3. Quality of subject 4. Artistic relevance 5. Relevance to the entertainment world 6. Social and cultural relevance 7. Quality of writing 8. Quality and originality of narrative structure 9. Quality and originality of characters 10. Quality of dialogues 11. Consistency between the various elements (idea, structure, characters, dialogues, etc.) 12. Innovation with reference to film genres 13. Quality of cinematographic language, also with reference to new languages

##### **B) VALUE OF TECHNICAL AND TECHNOLOGICAL ELEMENTS (10 POINTS)**

6 points is a passing score.

Useful indicators:

1. Evaluation of technical team's curriculum (photography, set design, costumes, editing, sound, special effects, music) 2. Film studios 3. Development and printing facilities 4. Technical equipment 5. Use of new technologies (digital and high definition)

##### **C) QUALITY, THOROUGHNESS AND REALIZABILITY OF FILM PRODUCTION PROJECT (15 POINTS)**

9 points is a passing score.

Useful indicators:

1. Proportionality, consistence and congruousness of artistic and technical elements with the project. 2. Consistency and congruousness of the entire production plan (cost estimate, work plan and economic and financial budget) with the project 3. Potential of success in market placement and distribution throughout the national and international market. Capacity to develop European and/or international co-production projects

To obtain a satisfactory score in the discretionary section, each project must obtain a passing score for each single criterion, that is, a minimum score for letter a) equal to 21 points, for letter b) equal to 6 points and for letter c) equal to 9 points.

**1.2 NON DISCRETIONAL SECTION (MAXIMUM SCORE OBTAINABLE: 40 POINTS, WITH PRIOR APPROPRIATE EVALUATION OF THE OVERALL SCORE OBTAINED (given that the latter is x, the actual score, to be added to that shown in the discretionary judgment, will be 40% of x)**



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Code	Parameters	Threshold value	Score
A	Director's artistic contribution		70
A1	Awards won by director for direction or for best film	1	20
A2	Participation of films directed by the director in festivals or final nominations for direction or best film awards	1	10
A3	Number of films directed by the director with total ticket sales exceeding 800 thousand euros in the last 10 years	2	10
A4	Acting awards won by cast of lead actors selected by the director	1	20
A5	Final nominations for acting awards by cast of lead actors selected by director	1	10
B	Scriptwriter		20
B1	Scriptwriting awards won by scriptwriter	1	15
B2	Scriptwriter's final nomination for scriptwriting awards	1	5
C	Screenplay adapted from literary work	Yes	5
C1	Original screenplays within the meaning of article 13 paragraph 8 of Legislative Decree no. 28/2004	Yes	5
	Total		

The awards (direction, film, first work, screenplay and interpretation) refer to the following festivals: Venice (including Settimana della critica and Giornate degli autori), Cannes (including Quinzaine des realitateurs e Semaine de la critique), Berlin, Locarno, Montreal, Sundance Film Festival, San Sebastian, Turin, Moscow, Karlovy Vary, Pesaro, Giffoni, as well as the following awards: Academy Awards, David di Donatello, Nastri d'Argento, Golden Globes, European Film Awards, Cesar, Goya and (strictly for scriptwriting) Solinas.

Account is taken of films which have participated in the official selections and programmes of the following festivals: Venice (including Settimana della critica), Cannes (including Quinzaine des realitateurs e Semaine de la critique), Berlin, Locarno, Montreal, Sundance Film Festival, San Sebastian, Turin, Moscow, Karlovy Vary, Pesaro, and Giffoni.

Final nominations for the following awards (direction, film, first work, screenplay and interpretation) are taken into consideration: Academy Awards, David di Donatello, Nastri d'Argento, Golden Globes, European Film Awards, Cesar, Goya and (strictly for screenplay) Solinas.

**MINIMUM SCORE FOR THE PURPOSE OF APPLICATION OF LAW 244/07: 50 POINTS**

**2) FULL-LENGTH DOCUMENTARY FILMS (excluding first and second works)**



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## **2.1) DISCRETIONAL SECTION (MAXIMUM SCORE OBTAINABLE: 60 POINTS)**

### **A) VALUE OF SCRIPT AND SCREENPLAY (35 POINTS)**

21 points is a passing score.

Useful indicators:

1. Originality of idea 2. Relevance of subject 3. Quality of subject 4. Artistic relevance 5. Relevance to the entertainment world 6. Social and cultural relevance 7. Quality of writing 8. Quality and originality of narrative structure 9. Quality and originality of characters 10. Quality of dialogues 11. Consistency between the various elements (idea, structure, characters, dialogues, etc.) 12. Innovation with reference to film genres 13. Quality of cinematographic language, also with reference to new languages

### **B) VALUE OF TECHNICAL AND TECHNOLOGICAL ELEMENTS (10 POINTS)**

6 points is a passing score.

Useful indicators:

1. Evaluation of technical team's curriculum (photography, set design, costumes, editing, sound, special effects, music) 2. Film studios 3. Development and printing facilities 4. Technical equipment 5. Use of new technologies (digital and high definition)

### **C) QUALITY, THOROUGHNESS AND REALIZABILITY OF FILM PRODUCTION PROJECT (15 POINTS)**

9 points is a passing score.

Useful indicators:

1. Proportionality, consistence and congruousness of the project's artistic and technical elements with the project. 2. Consistency and congruousness of the entire production plan (cost estimate, work plan and economic and financial budget) with the project 3. Potential of success in market placement and distribution throughout the national and international market. Capacity to develop European and/or international co-production projects

**To obtain a passing score in the discretionary section, each project must obtain a passing score for each single criterion, that is, a minimum score for letter a) equal to 21 points, for letter b) equal to 6 points and for letter c) equal to 9 points.**

**2.2 NON DISCRETIONAL SECTION (MAXIMUM SCORE OBTAINABLE: 40 POINTS, WITH PRIOR APPROPRIATE EVALUATION OF THE OVERALL SCORE OBTAINED (given that the latter is x, the actual score, to be added to that shown in the discretionary judgment, will be 40% of x)**

Code	Parameters	Threshold value	Score
A	Director's artistic contribution		70
A1	Awards won by director for direction or for best film	1	45
A2	Participation of films directed by the director in festivals or final nominations for direction or best film awards	1	25



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B	Scriptwriter		20
B1	Scriptwriting awards won by scriptwriter	1	15
B2	Scriptwriter's final nomination for scriptwriting awards	1	5
C	Development and screenplay		10
C1	Screenplay adapted from literary work	Yes	5
C2	Original screenplays within the meaning of article 13 paragraph 8 of Legislative Decree no. 28/2004	Yes	5
	Total		100

The awards (direction, film, first work and screenplay) refer to the following festivals: Venice (including Settimana della critica and Giornate degli autori), Cannes (including Quinzaine des realizateurs e Semaine de la critique), Berlin, Locarno, Montreal, Sundance Film Festival, San Sebastian, Turin, Moscow, Karlovy Vary, Pesaro, Giffoni, IDFA- Amsterdam International Documentary Film Festival, Florence Festival dei popoli, Toronto Hot docs, Festival International de Cinema – Nyon Vision du Reel, Paris Cinema du Reel, FID-Marseilles International Documentary Festival, Lipsia Documentary Festival, as well as the following awards: Academy Awards, David di Donatello, Nastri d'Argento, Golden Globes, European Film Awards, Cesar, Goya and (strictly for scriptwriting) Solinas.

Account is taken of films which have participated in the official selections and programs of the following festivals: Venice (including Settimana della critica), Cannes (including Quinzaine des realizateurs e Semaine de la critique), Berlin, Locarno, Montreal, Sundance Film Festival, San Sebastian, Turin, Moscow, Karlovy Vary, Pesaro, Giffoni, IDFA- Amsterdam International Documentary Film Festival, Florence Festival dei popoli, Toronto Hot docs, Festival International de Cinema – Nyon Vision du Reel, Paris Cinema du Reel, FID-Marseilles International Documentary Festival, Lipsia Documentary Festival.

Final nominations for the following awards (direction, film, first work and screenplay) are taken into consideration: Academy Awards, David di Donatello, Nastri d'Argento, Golden Globes, European Film Awards, Cesar, Goya and (strictly for screenplay) Solinas.

Within the parameters, the term “film” means both “full-length film” and “short film”. In any case, it must be a documentary film.

**MINIMUM SCORE FOR THE PURPOSE OF APPLICATION OF LAW 244/07: 50 POINTS**

**3) FULL-LENGTH ANIMATED FILMS (excluding first and second works)**

**3.1) DISCRETIONAL SECTION (MAXIMUM SCORE OBTAINABLE: 60 POINTS)**

**A) VALUE OF SCRIPT AND SCREENPLAY (35 POINTS)**

21 points is a passing score.

Useful indicators:



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1. Originality of idea 2. Relevance of subject 3. Quality of subject 4. Artistic relevance 5. Relevance to the entertainment world 6. Social and cultural relevance 7. Quality of writing 8. Quality and originality of narrative structure 9. Quality and originality of characters 10. Quality of dialogues 11. Consistency between the various elements (idea, structure, characters, dialogues, etc.) 12. Innovation with reference to film genres 13. Quality of cinematographic language, also with reference to new languages

### **B) VALUE OF TECHNICAL AND TECHNOLOGICAL ELEMENTS (10 POINTS)**

6 points is a passing score.

Useful indicators:

1. Evaluation of technical team's curriculum (photography, set design, costumes, editing, sound, special effects, music) 2. Film studios 3. Development and printing facilities 4. Technical equipment 5. Use of new technologies (digital and high definition)

### **C) QUALITY, THOROUGHNESS AND REALIZABILITY OF FILM PRODUCTION PROJECT (15 POINTS)**

9 points is a passing score.

Useful indicators:

1. Proportionality, consistence and congruousness of the project's artistic and technical elements with the project. 2. Consistency and congruousness of the entire production plan (cost estimate, work plan and economic and financial budget) with the project 3. Potential of success in market placement and distribution throughout the national and international market. Capacity to develop European and/or international co-production projects

**To obtain a satisfactory score in the discretionary section, each project must obtain a passing score for each single criterion, that is, a minimum score for letter a) equal to 21 points, for letter b) equal to 6 points and for letter c) equal to 9 points.**

**3.2 NON DISCRETIONAL SECTION (MAXIMUM SCORE OBTAINABLE: 40 POINTS, WITH PRIOR APPROPRIATE EVALUATION OF THE OVERALL SCORE OBTAINED (given that the latter is x, the actual score, to be added to that shown in the discretionary judgment, will be 40% of x)**

Code	Parameters	Threshold value	Score
A	Director's artistic contribution		70
A1	Awards won by director for direction or for best film	1	40
A2	Participation of films directed by the director in festivals or final nominations for direction or best film awards	1	20
A3	Number of films directed by the director with total ticket sales exceeding 800 thousand euros in the last ten years	2	10
B	Scriptwriter		20
B1	Scriptwriting awards won by scriptwriter	1	15



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B2	Scriptwriter's final nomination for scriptwriting awards	1	5
C	Development and screenplay		10
C1	Screenplay adapted from literary work	Yes	5
C2	Original screenplays within the meaning of article 13 paragraph 8 of Legislative Decree no. 28/2004	Yes	5
	Total		100

The awards (direction, film, first work and screenplay) refer to the following festivals: Venice (including Settimana della critica and Giornate degli autori), Cannes (including Quinzaine des realitateurs e Semaine de la critique), Berlin, Locarno, Montreal, Sundance Film Festival, San Sebastian, Turin, Moscow, Karlovy Vary, Pesaro, Giffoni, Positano Cartoons on the bay, FIFA-Annecy Festival International du film d'animation, Hiroshima International Animation Festival, Ottawa International Animation Festival, Frascati Festival I Castelli Animati, as well as the following awards: Academy Awards, David di Donatello, Nastri d'Argento, Golden Globes, European Film Awards, Cesar, Goya, Cartoon d'or and (strictly for scriptwriting) Solinas.

Account is taken of films which have participated in the official selections and programs of the following festivals: Venice (including Settimana della critica), Cannes (including Quinzaine des realitateurs e Semaine de la critique), Berlin, Locarno, Montreal, Sundance Film Festival, San Sebastian, Turin, Moscow, Karlovy Vary, Pesaro, Giffoni, Positano Cartoons on the bay, FIFA-Annecy Festival International du film d'animation, Hiroshima International Animation Festival, Ottawa International Animation Festival, Frascati Festival I Castelli .

Final nominations for the following awards (direction, film, first work and screenplay) are taken into consideration: Academy Awards, David di Donatello, Nastri d'Argento, Golden Globes, European Film Awards, Cesar, Goya, Cartoon d'or and (strictly for screenplay) Solinas.

Within the parameters, the term "film" means "full-length film".

### **MINIMUM SCORE FOR THE PURPOSE OF APPLICATION OF LAW 244/07: 50 POINTS**

#### **3) FIRST AND SECOND WORKS AND SHORT FILMS**

**MAXIMUM SCORE OBTAINABLE: 60 POINTS**

##### **A) VALUE OF SCRIPT AND SCREENPLAY (35 POINTS)**

21 points is a passing score.

Useful indicators:

1. Originality of idea 2. Relevance of subject 3. Quality of subject 4. Artistic relevance 5. Relevance to the entertainment world 6. Social and cultural relevance 7. Quality of writing 8. Quality and originality of narrative structure 9. Quality and originality of characters 10. Quality of dialogues 11. Consistency between the various elements (idea, structure, characters, dialogues, etc.) 12. Innovation with reference to film genres 13. Quality of cinematographic language, also with reference to new languages





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**B) VALUE OF TECHNICAL AND TECHNOLOGICAL ELEMENTS (10 POINTS)**

6 points is a passing score.

Useful indicators:

1. Evaluation of technical team's curriculum (photography, set design, costumes, editing, sound, special effects, music) 2. Film studios 3. Development and printing facilities 4. Technical equipment 5. Use of new technologies (digital and high definition)

**C) QUALITY, THOROUGHNESS AND REALIZABILITY OF FILM PRODUCTION PROJECT (15 POINTS)**

9 points is a passing score.

Useful indicators:

1. Proportionality, consistence and congruousness of the project's artistic and technical elements with the project. 2. Consistency and congruousness of the entire production plan (cost estimate, work plan and economic and financial budget) with the project 3. Potential of success in market placement and distribution throughout the national and international market. Capacity to develop European and/or international co-production projects

**Each project must obtain a passing score for each single criterion, that is, a minimum score for letter a) equal to 21 points, for letter b) equal to 6 points and for letter c) equal to 9 points.**

**MINIMUM SCORE FOR THE PURPOSE OF APPLICATION OF LAW 244/07: 36 POINTS**



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<b>TABLE C ART. 1, EIGHTH PARAGRAPH, MINISTERIAL DECREE ON TAX CREDITS</b>	
<b>CULTURAL ELIGIBILITY REQUISITES: FOREIGN FULL-LENGTH FILMS</b>	
<b>Requisite</b>	<b>Score</b>
<b>BLOCK A: CONTENT</b>	
A.1 Film script/screenplay adapted from literary work	10
A.2 Film script/screenplay concerning a historical, legendary, religious, social, artistic or cultural event	10
A.3 Film script/screenplay concerning a celebrity of artistic, historical, religious, social or cultural import	10
A.4 Italian or European main characters <sup>8</sup> of the script or of the screenplay	10 (4.6)
A.5.1 Film script set in Italy or in other European Countries (up to 30% of screenplay scenes set in Italy 6 points; over 30%, 15 points; minimum threshold: 15% of the scenes) <sup>9</sup>  or A.5.2. Outdoor scenes of the film shot in Italy with the aim to valorize artistic, architectural and archeological assets (up to 30% of outdoor scenes contained in the screenplay shot in Italy, 6 points; over 30%, 15 points; minimum threshold: 15% of the scenes) <sup>10</sup>	15 (6)
A.6 Original dialogues recorded, post-synchronized or subtitled in Italian or Italian dialect (minimum threshold: 50% of the scenes contained in the screenplay) <sup>11</sup>	5
<b>TOTAL SCORE A</b>	<b>60</b>
<b>BLOCK B: CREATIVE TALENTS</b>	
B.1 Presence of a filmmaker originating from Italy or citizen of the Countries of the European Economic Space –EES (producer, director, scriptwriter, composer)	8 (max) (2 points for each professional figure)
B.2 Presence of a creative talent originating from Italy or citizen of the Countries of the European Economic Space –EES (interior designer, art director, chief make-up artist, costume designer, photography director, line producer, editor, set designer)	8 (max) (1 point for each professional figure)
B.3 Presence of at least one lead actor originating from Italy or citizen of the Countries of the European Economic Space –EES	2
B.4 Presence of at least two supporting actors originating from Italy or citizens of the Countries of the European Economic Space –EES	2

<sup>8</sup> The status of main character is based on its central and essential role with respect to the theme of the screenplay. 4 points are awarded if at least 1 of more main characters is Italian or European; 6 points if at least 2 of more main characters are Italian or European; 10 points if at least 3 of more main characters are Italian or European or if, in case there are only 1, 2 or 3 main characters, these are all Italian or European.

<sup>9</sup> A film is considered to be set in Italy if the story takes place in Italy; to this end, it makes no difference whether the film is actually shot in Italy. If the required minimum threshold is not met, no points will be awarded.

<sup>10</sup> If the required minimum threshold is not met, no points will be awarded.

<sup>11</sup> If the required minimum threshold is not met, no points will be awarded.



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<b>TOTAL SCORE B</b>	<b>20</b>
<b>BLOCK C: PRODUCTION</b>	
C.1 Scenes shot in a studio in Italy (up to 20% of the scenes contained in the screenplay shot in Italian studios, 4 points; over 20%, 8 points)	8(4)
C.2 Digital effects in Italy	2
C.3 Special effects in Italy	2
C.4 Music recording in Italy	2
C.5 Sound editing and mixing in Italy	2
C.6 Laboratory work in Italy	2
C.7 Final editing in Italy	2
<b>TOTAL SCORE C</b>	<b>20</b>
<b>TOTAL OVERALL</b>	<b>100</b>
<b>At least 2 from among requisites A.1, A.2, A.3 and A.5 of Block A are compulsory</b>	
<b>Minimum total score 50/100</b> required for the purpose of enforcing art. 1, paragraph 335, of law no. 244 dated 24 December 2007	



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<b>TABLE C ART. 1, EIGHTH PARAGRAPH, MINISTERIAL DECREE ON TAX CREDITS</b>	
<b>CULTURAL ELIGIBILITY REQUISITES: FOREIGN DOCUMENTARIES</b>	
<b>Requisite</b>	<b>Score</b>
<b>BLOCK A: CONTENT</b>	
A.1.1 Script/screenplay concerning scientific topics or natural events, historical, legendary, religious, social or artistic events  or A.1.2. Script/screenplay concerning a celebrity of artistic, historical, religious, social or cultural import	16
A. 2 Script/screenplay concerning: lifestyles of peoples/ethnic minorities	16
A.3.1 Documentary subject matter set in Italy or in Europe (up to 30% of the screenplay scenes set in Italy, 6 points; over 30%, 12 points; minimum threshold: 15% of the scenes) <sup>12</sup>  or A.3.2 Outdoor scenes shot in Italy (up to 30% of the outdoor scenes contained in the screenplay shot in Italy, 6 points; over 30%, 12 points; minimum threshold: 15% of the scenes) <sup>13</sup>	12 (6)
A.4.1. Original dialogues or narrating voice recorded, post-synchronized or subtitled in Italian or in Italian dialect (minimum threshold: 50% of the scenes contained in the screenplay) <sup>14</sup>	16
<b>TOTAL SCORE A</b>	<b>60</b>
<b>BLOCK B: CREATIVE TALENTS</b>	
B.1 Presence of a filmmaker originating from Italy or citizen of the Countries of the European Economic Space –EES (a-producer, b-composer, c-director, d-scriptwriter)	6 (max) 1 point for a) and b); 2 points for c) and d)
B.2 Presence of a creative talent originating from Italy or citizen of the Countries of the European Economic Space – EES (interior designer, chief make-up artist, costume designer, photography director, line producer, line producer, editor, set designer)	14 (max) (2 points for each professional figure)
<b>TOTAL SCORE B</b>	<b>20</b>
<b>BLOCK C: PRODUCTION</b>	
C.1 Scenes shot in a studio in Italy (at least 50% of shooting days outdoor)	8
C.2 Digital effects in Italy	2
C.3 Special effects in Italy	2
C.4 Music recording in Italy	2
C.5 Sound editing and mixing in Italy	2

<sup>12</sup> A documentary is considered to be set in Italy if the story takes place in Italy; to this end, it makes no difference whether the film is actually shot in Italy. If the required minimum threshold is not met, no points will be awarded

<sup>13</sup> If the required minimum threshold is not met, no points will be awarded.

<sup>14</sup> If the required minimum threshold is not met, no points will be awarded.



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C.6 Laboratory work in Italy	2
C.7 Final editing in Italy	2
<b>TOTAL SCORE C</b>	<b>20</b>
<b>TOTALE GENERALE</b>	<b>100</b>
<b>At least 2 from among requisites A.1, A.2 and A.3 of Block A are compulsory</b>	
<b>Minimum total score 50/100</b> required for the purpose of enforcing art. 1, paragraph 335, of law no. 244 dated 24 December 2007	



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<b>TABLE C ART. 1, EIGHTH PARAGRAPH, MINISTERIAL DECREE ON TAX CREDITS</b>	
<b>CULTURAL ELIGIBILITY REQUISITES: FOREIGN ANIMATED FILMS</b>	
<b>Requisite</b>	<b>Score</b>
<b>BLOCK A: CONTENT</b>	
A.1 Film script/screenplay adapted from literary work	10
A.2 Film script/screenplay concerning a historical, legendary, religious, social or artistic event	10
A.3 Film script/screenplay concerning a celebrity of artistic, historical, religious, social or cultural import	10
A.4 Film script/screenplay oriented toward the dissemination of the culture of humanitarian values, of integration and of social and racial inclusion, of dissemination of trades and professions	10
A.5 Film script/screenplay particularly suitable for children and young people	10
A.6 Original dialogues recorded, post-synchronized or subtitled in Italian or Italian dialect (minimum threshold: 50% of the scenes contained in the screenplay) <sup>15</sup>	10
<b>TOTAL SCORE A</b>	<b>60</b>
<b>BLOCK B: CREATIVE TALENTS</b>	
B.1 Presence of a filmmaker originating from Italy or citizen of the Countries of the European Economic Space –EES (composer, director, scriptwriter, narrating voice)	8 (max) (2 points for each professional figure)
B.2 Presence of a creative talent originating from Italy or citizen of the Countries of the European Economic Space –EES (creator of characters, animation director, editor, set designer)	8 (max) (2 points for each professional figure)
B.3 Significant contribution to the film by a contemporary artist originating from Italy, or citizen of the Countries of the European Economic Space – EES, operating in a sector other than film	4
<b>TOTAL SCORE B</b>	<b>20</b>
<b>BLOCK C: PRODUCTION</b>	
C.1 Pre-production in Italy (story boards, sketches)	4
C.2 Animation work in Italy (at least 50% of the total animation work expenditure)	4
C.3 Digital effects in Italy	2
C.4 Special effects in Italy	2
C.5 Music recording in Italy	2
C.6 Sound editing and mixing in Italy	2
C.7 Laboratory work in Italy	2
C.8 Final editing in Italy	2

<sup>15</sup> If the required minimum threshold is not met, no points will be awarded.



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<b>TOTAL SCORE C</b>	<b>20</b>
<b>TOTAL OVERALL</b>	<b>100</b>
<b>At least 2 from among requisites A.1, A.2, A.3, A.4 and A.5 of Block A are compulsory</b>	
<b>Minimum total score 50/100</b> required for the purpose of enforcing art. 1, paragraph 335, of law no. 244 dated 24 December 2007	



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