

**Senator the Hon
Nick Sherry**

Assistant Treasurer
Labor Senator for
Tasmania



**The Hon Peter
Garrett MP**

Minister for Environment
Protection, Heritage & the
Arts

PRESS RELEASE

EXPANDED ACCESS TO FILM TAX OFFSETS TO BOOST AUSTRALIAN FILM INDUSTRY

The Assistant Treasurer, Senator Nick Sherry, and the Minister for Environment Protection, Heritage and the Arts, the Hon Peter Garrett MP, today released draft legislation to expand access to film tax offsets as announced in the 2010-11 Budget.

Expanded access to the film offsets will be facilitated by:

- reducing the minimum qualifying expenditure threshold for the Post, Digital and Visual Effects (PDV) Offset from \$5 million to \$500,000; and
- removing the requirement for productions spending between \$15 million and \$50 million in Australia to spend at least 70 per cent of the total production budget in Australia in order to qualify for the Location Offset.

The amendments will apply to productions commencing from 1 July 2010.

“These important amendments will further boost Australia as an attractive destination for the international film industry,” said the Assistant Treasurer.

“These changes are an important investment in our local film industry, with the potential for more Australian businesses – particularly small businesses – to benefit through increased employment opportunities.”

The reforms contained in today’s draft legislation respond to calls from the Australian film industry to further attract offshore productions to Australia.

“The changes remove barriers to offshore productions considering Australia as a production destination and provide opportunities for our world-class PDV providers to bid for additional work,” Mr Garrett said.

“Importantly, not only will these amendments help increase employment opportunities but they will also assist to build capacity and expertise in the local industry, which will in turn provide benefits for domestic productions.”

Other issues raised by the screen industry are being considered in the context of the 2010 Review of the Australian Independent Screen Production Sector being conducted by the Department of the Environment, Heritage, Water and the Arts, which will report to Minister Garrett by the end of 2010.

Copies of the consultation materials are available from www.treasury.gov.au and consultation closes on 27 July, 2010.

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