

## Qualifying Victorian Expenditure Information Sheet

This information is relevant to the [Victorian Production Fund – Film, TV & Online](#), [Victorian Screen Incentive](#), [Victoria Digital Screen Rebate](#), and [Indian Cinema Attraction Fund](#).

*Qualifying Victorian Expenditure (QVE) is limited to:*

- Commercial arm's length payments to a supplier of goods or services whose principal place of business is in Victoria.
- Suppliers include independent contractors who are not subject to Victorian payroll tax.
- Commercial arm's length payments to a supplier of goods or services which, although their principal place of business is outside Victoria, has an office or branch within Victoria through which it is supplying the goods or services in Victoria.
- For physical production projects, salaries paid to Victorian residents for services provided in connection with the project outside Victoria for a reasonable amount of time as determined by VicScreen.
- For games or animation projects, development and marketing costs, and portion of overheads and contingency as determined by VicScreen.
- Salaries and other expenses paid to or incurred in relation to any Victorian residents engaged on the project in Victoria and which includes superannuation contributions and PAYG tax paid by the producer for those Victorian residents.
- Fringe Benefits Tax relating to benefits provided in Victoria.
- Victorian payroll tax.
- Payroll (related to Victorian residents only) subject to Victorian payroll tax.
- Victorian Workers Compensation payments.
- Commercial fees for production services provided by Victorian companies in connection with the project.
- Per diems (as that term is used and adopted by the Media Entertainment and Arts Alliance (MEAA)) paid to cast and crew who are not Victorian residents, but who provide their services to the producer in Victoria, in connection with the production of the project.
- Expenditure in Victoria on accommodation, travel, hire car and other similar expenses paid to or incurred on behalf of any member of cast or crew in direct relation to the production, who is not a Victorian resident but who is working on the project in Victoria.
- Inbound international or interstate travel to a Victorian destination. Where a return fare is purchased 50% of the fare qualifies as Qualifying Victorian Expenditure. The two-week rule for non-cast members which is applied to the Qualifying Australian Production Expenditure (QAPE) definition in the Australian Government Location Offset guidelines applies.
- All flights connected with the production of the project are purchased through a Victorian travel agent.
- Inbound freight to a Victorian destination.

## *Exclusions*

- Goods or services which are sourced from outside Victoria from a non-Victorian supplier, even though they are used in the production of the project in Victoria.
- GST is not included in Victorian spend.
- Expenditure on transactions which are not commercial nor conducted at arm's length.

Additional exclusions for Victorian Screen Incentive projects only include:

- Payments for the licensing or purchasing of audio-visual materials, including archival footage or music.
- Payments to service providers which are offset by a reinvestment or any other financial contribution to the project.

## *Currency exchange*

Where production expenditure is incurred in foreign currencies, the exchange rate will be the RBA rate averaged across the period in which Qualifying Victorian Expenditure occurs.

## *Definitions in relation to calculating Victorian spend*

Victorian company is any company engaged by the production which is incorporated under the *Corporations Act 2001 (Cth)* and is based and operating in Victoria, including a Victorian office of a national or interstate company if it conducts part of its operations in Victoria.

Victorian resident is an Australian citizen or permanent resident engaged by the production, residing in Victoria at the time of application and for at least 6 months immediately prior to the date of the application.

## *Definition in relation to the Victorian Digital Screen Rebate*

100% Victorian-owned company means a company whose shareholders are Victorian and which maintains a substantial connection to Victoria (such as by operating in Victoria for an extended period, having Victorian employees and producing Victorian content).