

iOPIF Rebate for Video Game Production (FAQ)



Program Summary:

Indigenous Oregon Production Investment Fund (iOPIF) – rebates 20% of Oregon-based goods/services and 10% of Oregon-based payroll (including fringe benefits). It applies to projects spending a minimum of \$75,000 up to the first \$1million in Oregon for any single project. The video game company must be based in Oregon, contract with a CPA for payroll services, and carry production insurance. Additionally, at least 80% of the people working on the project must be Oregon residents.

Q: Are the incentives a tax credit?

A: No, Oregon issues a cash rebate as opposed to a tax credit.

Q: Are the incentives limited? If so, how much is available per year?

A: The iOPIF is limited to 5% of the total of the OPIF fund. This will increase to 7.5% of the OPIF in July of 2017. The OPIF fund is \$12M from July 2016-June 2017, increasing to \$14M from July 2017.

Q: If my project's budget is over \$1million, may I still apply for iOPIF?

A: Yes, but only the first \$1million of your expenses can qualify for the rebate.

Q: My video game will be producing 4 projects over a calendar year. Can I fill out one application as a company?

A: No. Each individual project must apply as a separate project. We cannot accept speculative applications based on anticipated work.

Q: May I apply as I am bidding for a project?

A: Yes. We will tentatively hold the anticipated rebate amount while you are bidding for work, but only for a fixed amount of time. Should you win the bid, we will then formally reserve the funds for your project.

Q: My Company does post-production/animation for commercials. May I apply for a rebate on one of those projects?

A: No. iOPIF is only for projects with some form of a narrative. Commercial production, news, and sports programming are not allowed in the program according to the statute.

Q: Can my company outsource work out of the state and still apply for the program?

A: You may, but any expense that occurs physically outside the state will not count towards the rebate. By law, you are also required to have 80% of your cast and crew be residents of Oregon to qualify for the rebate, so excessive outsourcing may exclude you from the program. Any inaccurate reporting about the location of the work will cause that project to be excluded from any rebate and may prevent the production company from being able to apply for a rebate on any future projects.

Q: What qualifies as "Oregon-based payroll"? Does it apply only to Oregon-resident crew?

A: Any production-related payroll, regardless of employee's state of residence, is rebateable as long as Oregon state withholding tax applies to the wages. At least 80% of the cast and crew must be Oregon residents.

Q: Can we capture "retroactive" expenses?

A: No. The only expenses that can be incentivized are those which have been incurred *after* the date on the application for the project. We cannot accept an application and then "reach back" for expenses which were dated prior to the application date itself.