



# Quick Rebate Reference Guide

Oklahoma Film + Music Office



**OKLAHOMA**  
**Film + Music**  
[okfilmmusic.org](http://okfilmmusic.org)

# Program Overview



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## **20% Base, up to 30% with uplifts:**

(Oklahoma Resident Labor 30% base, regardless of qualified uplifts)

### **3% Rural County Uplift**

- 25% filmed on location in a county less than 250,000 people: 3% uplift
- For your days to count as being filmed in a rural county, you must be filming on location, excluding soundstage production, in a rural county.

### **2% Small Municipality Uplift**

- 25% filmed on location in a small municipality less than 25,000 people: 2% uplift
- For your days to count as being filmed in a small municipality, you must be filming on location, excluding soundstage production, in a small municipality.

### **5% Soundstage Uplift**

- 25% filmed at a certified soundstage facility: 5% uplifts
- In order to meet the certified soundstage uplift, 3% of direct expenditures must be spent at the soundstage in addition to meeting the minimum filming percentage threshold.

### **5% Multi-Film Deal Uplift**

- The MFD is three or more films filmed in three years by the same production entity (person or company), each film will receive the additional 5% uplift.
- Production must film at least 75% of principal photography for each project in this state.
- 5% of the direct spend will be held back on the first and second project, and paid out at the completion of the third

### **2% / 5% TV Uplift**

- 2% for a pilot or 5% for a season
- If a pilot is part of a multi-film deal, the project can qualify for the multi-film 5%, but cannot also receive the pilot 2%

### **3% Post-Production Uplift**

- If at least 3% of qualified expenditures spent on Oklahoma post-production: 3% uplift

### **2% Music Uplift**

- If at least 1% of qualified expenditures spent on Oklahoma music production, recording, mixing, composition, or licensing of Oklahoma music: 2% uplift

# Qualified Expenditures



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## Labor

(Oklahoma Resident Labor 30% base, regardless of qualified uplifts)

### Contract employees

- Contract employees (paid via 1099) do not qualify as a labor expense under any circumstances.

### Residents

- **BTL** – All BTL Oklahoma residents qualify at 30%, whether paid via loan-out company or as an employee via payroll.
- **ATL** – Oklahoma ATL residents qualify at 30%, whether paid via loan-out company or as an employee via payroll.

### Non-Residents

- **BTL** – Non-resident BTL qualify at a flat 20%, whether paid via loan-out company or as an employee via payroll. Payments to non-resident BTL are not eligible for uplifts.
- **ATL** – Non-resident ATL can qualify for the full qualified rebate percentage, but they must be paid via personal loan-out company. All non-resident ATL wages are subject to the 25% ATL limitation.
  - Qualified non-resident ATL payments cannot exceed 25% of Total Qualified Spend.

### Oklahoma Expatriates

- If a person meets the definition of an Oklahoma Expatriate (has previously resided in Oklahoma for at least one year, but does not currently reside in Oklahoma), then their wages are considered a qualified expense at the earned rebate amount (30%).

## Fringes / Misc.

(Oklahoma Resident Labor 30% base, regardless of qualified uplifts)

### Per Diem

- Per Diem is qualified for all crew and should be grouped with the wages of the employee being paid per diem.

### Housing

- Housing is qualified for all crew.

# Qualified Expenditures continued



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- **Housing allowance** - if paid as an allowance, housing is grouped with wages. If there are receipts from the crew member to show the exact amount spent on lodging, then the exact amount spent on lodging can be allocated to the lodging line item and the rest should be grouped with wages.
- **Hotel/Airbnb** - If paid directly to the hotel/Airbnb, it is in lodging line item.

## **Meal allowances are qualified for all crew.**

- **Meal allowance** - if paid as an allowance, these payments are grouped with wages.
- **Direct payments to a restaurant/caterer** - If paid directly to a qualified business, it is in the catering / craft services line item.

## **Box Rentals**

- Box rentals are qualified payments for Oklahoma residents and Oklahoma expatriates and should be grouped with wages.

## **Taxes and Insurance**

- Employer-paid taxes (e.g. FICA, Medicare, and Unemployment Insurance), made on a specific employee's behalf by law are qualified expenses.
- The employer-paid portion of health insurance for an employee, if such insurance was paid to an Oklahoma-based insurance company or obtained through a licensed Oklahoma insurance broker, is a qualified expense.

## **Union Dues**

- If it is a payroll-associated payment paid on a specific employee's behalf due to a collective labor bargaining agreement (e.g. union dues and union fringes) then it is a qualified expense.

## **Payroll Processing Fee**

- If the payroll company is an Oklahoma-based business, then the processing fee is a qualified expense.
- If the payroll company is based out-of-state, then the fee is not qualified.

## **CPA Review**

- Reports will be prepared by a CPA currently licensed by the State of Oklahoma and who is independent under the American Institute of certified Public Accountants' (AICPA)

# Qualified Expenditures continued



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Independence Rule. A CPA does not necessarily have to be Oklahoma-based in order to be licensed in Oklahoma. If the CPA firm is an Oklahoma-based business, then the payment for the review would be a qualified expense.

## Oklahoma-Based Businesses

- To be considered Oklahoma-based, a business entity must be registered and in good standing as a domestic entity with the Oklahoma Secretary of State and must file an Oklahoma income tax return. For the most part, any payments to an Oklahoma-based business will qualify.

## Pass-Through Entities

- The Oklahoma Film + Music Office does not decide which businesses can be a pass-through entity for which services or for how much of a markup fee. As long as the production is making payments to an Oklahoma-based business and adheres to the program's administrative rules, then it is a qualified expense.

## Online Purchases

- If an online retailer has an in-state distribution center or Oklahoma-based location, then the online purchase does qualify.
- Amazon has a distribution center in Oklahoma, and online purchases from Amazon are a qualified expense.

## Logo Requirements

- The Oklahoma Film + Music Office will provide the production an approved logo to be displayed for a period of at least five (5) seconds in the final credits.
- If the production does not contain credits, the Oklahoma Film + Music Office shall obtain a commitment by the production company to provide equivalent value as determined by the Oklahoma Department of Commerce.



# OKLAHOMA Commerce

[okfilmmusic.org](http://okfilmmusic.org)

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