

The PDV Offset: Eligibility considerations

The PDV Offset offers a 15 per cent refund on all ‘qualifying PDV expenditure’ for an eligible film or television program regardless of where they shoot. A minimum threshold of \$5 million of qualifying PDV expenditure applies.

What is ‘qualifying PDV expenditure’?

Qualifying PDV expenditure is broadly expenditure incurred in relation to post, digital and visual effects (PDV) production work in Australia.

PDV production includes expenditure on VFX, 2D and 3D animation, audio post, editing, green-screen photography and miniatures undertaken in Australia. A more extensive list of activities that are considered PDV production can be found in the Location and PDV Offset Guidelines available from the Australian Screen Production Incentive page www.arts.gov.au/film/australian_screen_production_incentive.

Expenditure on any PDV work that does not take place in Australia is not qualifying PDV expenditure.

Who can apply for the PDV Offset?

The eligible production company is the sole company that is responsible for all the activities that were necessary for PDV production in Australia. Depending on the production, this could be for example:

- an Australian company set up to manage or commission one or more Australian companies to provide PDV work for the production;
- the ‘lead’ Australian PDV company which either undertakes all the PDV work in Australia and/or subcontracts Australian PDV work to other companies; or
- an Australian production company or production services company.

What are the key eligibility criteria?

Commencement

Only PDV production work in Australia that commences on or after 1 July 2007 is eligible. Please note that it is irrelevant when the production commenced principal photography or when it commenced PDV production work elsewhere.

Expenditure threshold

A minimum threshold of A\$5 million of qualifying PDV expenditure applies.

Eligible formats

The formats eligible for the PDV Offset are feature films (including direct-to-DVD), miniseries, telemovies and television series.

When can an application be made?

An eligible production company can apply in relation to a project once qualifying PDV expenditure has ceased being incurred.