



**ITALY
OFFERS
EVERY
THING
YOU
NEED**

**ATTRACTIVE
TAX CREDIT**

**GREAT
PROFESSIONALS**

**AMAZING
LOCATIONS**

**A FANTASTIC
CLIMATE**

**EFFICIENT FILM
COMMISSIONS**

**WONDERFUL
HOSPITALITY**

**A MARVELLOUS
LIFESTYLE**

**AN INCREDIBLE
CULTURE**

ITALY: A MAGICAL COUNTRY

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THE INFORMATION IN THIS BROCHURE
REFERS TO FUNDS IN 2023

OVERVIEW

THE ITALIAN INCENTIVE SCHEME is regulated by Law 220/2016, which envisages a Fund for promoting investment in the film and audiovisual industry (films, TV and web programmes, documentaries, animations, shorts and interactive narrative games).

OVER THE YEARS, the endowment has increased to a minimum annual budget of 700 million euros and is focused on accelerating export growth, boosting revenues and deepening international relationships. 70% of this national fund is allocated to production.

AN ITALIAN PARTNER is necessary to have access to national and regional incentives and to tax credits. Finding the right Italian partner with the same creative vision is key to the success of any project. The Directorate General for Cinema and Audiovisual of the Ministry of Culture – DGCA-MiC cannot recommend specific Italian companies, but several sources will help you identify potential partners, such as <https://filitalia.org/en/industryidx/0/>.

WHY FILMING IN ITALY

TAX CREDITS FOR ATTRACTING INVESTMENT in films and audiovisual works made in Italy allow companies to offset tax liabilities such as IRES (corporate income tax), IRPEF (personal income tax), IRAP (regional tax on productive activities), VAT, social security and insurance contributions with credits accrued on film production investments. They target Italian executive production companies that make films, or portions of films, in Italy on behalf of foreign production companies.

FOR TAX RELIEF PURPOSES, qualifying expenditure is defined as that which is used and consumed on Italian soil, rather than being based on the nationality of people, goods and services. All eligible costs need to be incurred by Italian executive producers since the relevant tax relief is claimed through the company's corporate tax return.

BUDGET 50,000,000 EUROS:

- A 40% tax credit on the eligible cost of productions – up to 20 million euros per year – is allocated by an Italian executive producer
- An immediate tax credit is available as a monthly tax deduction and is paid in Italy by a local executive producer
- The tax credit is granted ten days after the following conditions have been met:
 - the work is “culturally eligible”
 - the credit has been recognised
 - the expenses have been verified.

ELIGIBLE PROJECTS:

- Feature films
- Short films
- TV series
- Documentaries
- Animations
- Web products

Application

FOR ITALIAN PRODUCERS: the company must be incorporated before principal photography begins. Applicants may ask for an interim certification at any point, either before or during production. An interim certification is essential to claim film tax relief during production. A final application must be submitted once the film has been completed and is ready to be viewed by audiences.

Requirements and details

<https://www.italyformovies.com/bandi/detail/79/tax-credits-for-attracting-investments-in-film-and-audiovisual-products-to-italy-law-n-2202016-article-19>

REGIONAL FUNDS

IN ADDITION TO THAT, there are Regional Funds for a total amount of about 70 million euros at a national level, dedicated to support national and international productions.

THESE FUNDS ARE MANAGED by the Regions and/or the 20 film commissions that are members of the IFC (Italian Film Commissions) and are located all over Italy. IFC members provide locations and services, logistic assistance, access to financial resources, assistance on permits, qualified crews and service providers.

REGIONAL FILM COMMISSIONS will help you find creative co-producers, pristine locations and source local talent and crews. In many instances they also provide information and networking opportunities for industry professionals and help liaise with local film festivals, workshops and other events.

THE AMOUNT OF FUNDING PROVIDED can vary depending on the project and the commission involved. Most film commissions award funding on a points basis via a panel of industry experts who evaluate productions using criteria such as artistic merit, potential impact on the local industry and the amount of time spent shooting in the region.

CO-PRODUCTIONS

AN OFFICIAL ITALIAN CO-PRODUCTION is a film production made by Italy with one or more countries under one of Italy's official co-production treaties or the European Convention on Cinematographic Co-Production.

ALL TREATIES HAVE DIFFERENT REQUIREMENTS, but the common principles are:

- A co-producer from each co-producing country needs to make both financial and effective creative, technical and artistic contributions to films, which need to be broadly proportional
- Contributions need to be made by using staff, goods and services from the co-producing countries
- Films need to be made in the co-producing countries (you may be able to shoot in a third country location and third country staff may be allowed, but not in excess of 20-30% of the budget, depending on the applicable treaty)
- The co-production status must be applied before principal photography begins.

CO-PRODUCING ALLOWS pooling of creative, financial, technical expertise and resources as well as sharing of risks. For co-productions, qualifying expenditure in Italy can include goods, services, facilities and staff from Italy, regardless of whether it is incurred in Italy or elsewhere. This expenditure qualifies as a co-production contribution.



AN ITALIAN FILM qualifying as an official co-production is eligible to apply for:

■ Tax credits for domestic productions and co-productions:

352 million euros

TAX CREDITS ARE WAYS OF OFFSETTING the tax and social security debts of companies and are automatically calculated based on the costs incurred in the development, production and distribution - both in Italy and abroad - of films, TV works, web works and videogames. The rate for film and audiovisual productions may reach 40% of the eligible costs.

FOR CO-PRODUCED WORKS, eligible costs are based on the Italian company's share of participation. If the Italian company, as executive producer, incurs expenses on Italian soil exceeding its own share, expenses are factored in the eligible cost.

■ Selective contributions: **46.7 million euros**

Selective contributions are granted for writing, developing, producing and distributing audiovisual works in Italy and abroad, as well as for promoting them. The projects are selected by experts based on qualitative assessments. Works produced in collaboration with foreign countries receive an automatic score, which is added to the discretionary score awarded by the evaluation commission.

THE GRANTS AWARDED are mainly film-oriented, with particular regard to specific categories (young authors, debut and second works, low-budget films or artistic films, short films, animations and documentaries). Selective contributions are granted to individuals, companies or entities who apply for them to implement a work or project. They are non-refundable grants, i.e. there is no obligation to refund them and are allocated through appropriate calls.

■ Automatic contributions: **40 million euros**

Automatic contributions are granted for the production of new works under the following conditions:

- a) for films, to cover necessary investment during the development, production, national and international distribution and home entertainment distribution;
- b) for television and web works, to cover necessary investment for production, national and international distribution and home entertainment distribution.

THE VALUES OF RESULTS are automatically assigned through a scoring system. The work made in cooperation with a foreign producer is considered as a cultural parameter, thus entitling to a score.

CO-PRODUCING WITH ITALY also allows access to the following incentives:

- Eurimages – co-productions with member countries (films).
- Ibermedia – co-development and co-productions with member countries (films and audiovisuals).
- Media – films and audiovisuals with member countries.

OFFICIAL CO-PRODUCTION TREATIES IN FORCE:

COUNTRY	DATE AND PLACE OF SIGNATURE OF THE TREATY	DATE OF ENTRY INTO FORCE	DURATION OF THE TREATY	EXTENSION TO AV	NOTES
ALBANIA	10.5.2002 Tirana	1.6.2004	2 years / tacit renewal every 2 years	NO	
ARGENTINA	6.10.2006 Rome	14.03.2011	5 years / tacit renewal every 5 years	NO	
AUSTRALIA	28.6.1993 Rome	12.12.1996	3 years / tacit renewal every 3 years	NO	
AUSTRIA	24.4.1968 Vienna	1.7.1968	1 year / tacit renewal every year	NO	
BRAZIL	23.10.2008 Rome	17.01.2018	5 years / tacit renewal every 5 years	NO	
BULGARIA	29.7.1967 Sofia	29.7.1967	3 years / tacit renewal every year	NO	On 25 May 2015, a new bilateral Agreement was signed in Rome. The Agreement will replace the 1967 Agreement when it enters into force. The 2015 Agreement has been extended to the audiovisual sector.
CANADA	13.11.1997 Rome	14.12.1999	5 years / tacit renewal every 5 years	YES	
CHILE	6.10.2004 Rome	30.6.2006	2 years / tacit renewal every 2 years	YES	
CROATIA	10.9.2007 Zadar	10.4.2018	5 years / tacit renewal every 5 years	NO	
CUBA	4.2.1997 Rome	23.8.1999	3 years / tacit renewal every 3 years	NO	
CZECH REPUBLIC	25.3.1968 Prague	25.3.1968	1 year / tacit renewal every year	NO	The Agreement refers to the Treaty with the former Czechoslovak Socialist Republic.
DOMINICAN REPUBLIC	14.2.2019 Rome	20.07.2023	5 years / tacit renewal every 5 years	YES	
FRANCE	6.11.2000 Paris	1.6.2003	2 years / tacit renewal every 2 years	NO	
GERMANY	23.9.1999 Rome	5.11.2002	2 years / tacit renewal every 2 years	NO	
HUNGARY	08.06.2007 Rome	04.04.2018	5 years / tacit renewal every 5 years	NO	
INDIA	13.5.2005 Rome	12.6.2008	3 years / tacit renewal every 3 years	YES	The Agreement was implemented on 29 October 2020, when the "Rules of Procedure" came into force.
ISRAEL	2.12.2013 Rome	22.1.2018	5 years / tacit renewal every 5 years	YES	
MACEDONIA	15.11.2002 Skopje	19.8.2005	2 years / tacit renewal every 2 years	NO	
MEXICO	19.11.1971 Mexico City	28.6.1974	2 years / tacit renewal every year	NO	On 17 October 2017, a new bilateral Agreement was signed in Rome. The Agreement will replace the 1971 Agreement when it enters into force. The 2017 Agreement concerns the film industry only.
MOROCCO	28.7.1991 Rabat	4.6.1999	4 years / tacit renewal every 4 years	NO	
NEW ZEALAND	30.7.1997 Rome	15.2.2000	3 years / tacit renewal every 3 years	NO	
PORTUGAL	19.9.1997 Lisbon	27.7.2000	2 years / tacit renewal every 2 years	NO	
ROMANIA	8.8.1967 Bucharest	5.12.1967	2 years / tacit renewal every 2 years	NO	
RUSSIAN FEDERATION	28.11.2002 Rome	15.6.2006	2 years / tacit renewal every 2 years	YES	
SLOVAKIA	25.3.1968 Prague	25.3.1968	1 year / tacit renewal every year	NO	The Agreement refers to the Treaty with the former Czechoslovak Socialist Republic.
SOUTH AFRICA	13.11.2003 Cape Town	11.6.2007	5 years / tacit renewal every 5 years	YES	
SPAIN	10.9.1997 Bologna	3.6.1998	2 years / tacit renewal every 2 years	NO	
SWEDEN	24.7.1968 Rome	24.7.1968	1 year / tacit renewal every year	NO	
SWITZERLAND	15.5.1990 Luqano	23.12.1993	2 years / tacit renewal every 2 years	NO	The Agreement was amended by an exchange of letters between Minister Francesco Rutelli and Pascal Couchepin, Federal Councillor of the Swiss Confederation, on 26 October 2006. The amendment came into force on 10 July 2007.
SOVIET UNION	30.1.1967 Rome	30.1.1967	3 years / tacit renewal every year	NO	The Agreement can be considered still in force for Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine and Uzbekistan. By signing the Alma Ata Declaration on 21 December 1991, these countries ensured the fulfilment of their international obligations arising from the treaties and from the agreements between Italy and the USSR in accordance with international procedures. This Declaration was also signed by the Russian Federation which, however, signed a new Agreement with Italy in 2002.
TUNISIA	29.10.1988 Tunis	3.8.2005	2 years / tacit renewal every 2 years	NO	
TURKEY	30.3.2006 Ankara	21.7.2011	5 years / tacit renewal every 5 years	NO	
URUGUAY	13.3.2001 Montevideo	6.5.2004	2 years with tacit renewal every 2 years	NO	
VENEZUELA	19.12.1984 Caracas	28.8.1986	2 years with tacit renewal every 2 years	NO	
YUGOSLAVIA	20.1.1968 Rome	20.1.1968	2 years / tacit renewal every 2 years	NO	The Agreement refers to the previous territorial configuration including Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, Serbia and Slovenia. At present, the Agreement is still in force with Bosnia and Herzegovina, Montenegro, Serbia and Slovenia whereas it expired with Macedonia and Croatia as Italy has signed bilateral agreements with them. A new Agreement was also signed with Serbia on 21 March 2023, which however was not yet in force on 6 February 2024. The Agreement will be extended to the audiovisual sector.

BILATERAL FUNDS

(CO-DEVELOPMENT | ONLY FOR FILMS)

THE DGCA - MIC HAS SET UP ad-hoc co-development bilateral funds, in collaboration with the equivalent bodies of individual countries to support the implementation of international co-production projects and promote production relations with target markets.

THE CO-DEVELOPMENT FUNDS currently active in force include:

1. Italy-Portugal
2. Italy-Tunisia
3. Italy-Baltic Countries
4. Italy-France (the co-development fund applies not only to films but also to TV and web series. In addition, there is also a specific co-production fund with France).

FUND FOR MINORITY CO-PRODUCTIONS

THE 6 MILLION EURO CALL for proposals governs the granting of contributions for the production of feature films made in co-production or co-participation with other countries, where Italian participation has a minority share. This grant is non-refundable and can be applied for upon completion of the work, with a maximum contribution of 300,000 euros.

AN ITALIAN COMPANY applying for the above fund must:

- Be qualified as an independent producer
- Do business under NACE code 59.11
- Own at least 20% of copyrights to the relevant work (10% if companies from more than two countries are involved).

FOR WORKS TO BE CONSIDERED ELIGIBLE, a certification must be provided proving that at least 50% of the funds required to cover most production costs have been secured.

CONTRIBUTIONS ARE PAID AS FOLLOWS:

- The beneficiary may request a 60% advance payment of the grant within 12 months from the date of publication of selection results
- The DGCA-MiC will release the funds within 60 days
- The remainder of the grant must be claimed within 24 months from the date of publication of selection results (within 36 months for animation projects)
- The DGCA-MiC will release the remaining sums within 90 days.



Requirements & details

ALL FUNDING APPLICATIONS must be made using the DGCOL online platform.

<https://www.italyformovies.com/bandi/detail/222/selective-contributions-for-film-with-a-minority-coproduction-or-participation-in-international-partnership-year-2023>

UNOFFICIAL CO-PRODUCTIONS

ITALY CAN ALSO CO-PRODUCE with countries with whom it does not have any treaties. These works may still be considered Italian as co-participated works (films) or as international productions (TV and web works). In this case, the granting procedure requires extra steps compared to the procedure followed for co-productions:

- International co-participations – films made with countries with whom NO specific co-production agreements are in force: the minimum share of participation in production is 20%
- International productions – non-film audiovisual works made with countries with whom NO specific co-production agreements are in force: the minimum share of participation in production is 20%.

FILM DISTRIBUTION FUND

THE FILM DISTRIBUTION FUND is a support scheme introduced by Italian Law No. 220 of 2016, Articles 10 and 27, to grant contributions and support the distribution of Italian films with primary theatrical exploitation outside Italy. The contribution is part of the Internationalisation Funds and is regulated by the 2023 Guidelines published with Decree No. 1843 of 15 May 2023.

THE 2023 FUND AMOUNTS to 2,100,000 euros, divided into 3 calls of 700,000 euros each, of which 550,000 euros for applications concerning theatrical distributions and 150,000 euros for applications relating to Internet distributions. The beneficiaries are independent foreign local distributors with registered offices throughout the world except in Italy, San Marino and Vatican City. The maximum eligible contribution is 50,000 euros for theatrical distributions and 15,000 euros for Internet distributions.

Details:

<https://cinecitta.com/en/fondi-cinema/contributi-opere/fondi-internazionalizzazione/film-distribution-fund-2023/>

USEFUL LINKS

ALL THE FUNDING OPPORTUNITIES FOR SHOOTING AUDIOVISUAL WORKS IN ITALY:

<https://www.italyformovies.com/bandi>

INTERNATIONALISATION FUNDS:

<https://cinecitta.com/en/fondi-cinema/contributi-opere/fondi-internazionalizzazione/>

GUIDE ON PUBLIC SUPPORT FOR ITALIAN CO-PRODUCTIONS, PROMOTION AND EXPORT OF AUDIOVISUAL WORKS:

<https://italianpavilion.it/en/how-to/>

CREATIVE EUROPE MEDIA STRAND:

<https://culture.ec.europa.eu/creative-europe/creative-europe-media-strand>

EURIMAGES:

<https://www.coe.int/en/web/eurimages>

ITALIAN FILM COMMISSIONS ASSOCIATION

(website currently available in Italian only):

<https://www.italianfilmcommissions.it>

CONTACT US

THE DIRECTORATE GENERAL FOR CINEMA AND AUDIOVISUAL OF THE ITALIAN MINISTRY OF CULTURE DGCA - MiC promotes the creation, production, distribution and circulation of film and audiovisual works, professional training, the opening and modernisation of cinemas and the adaptation of the film industry to technological developments.

DGCA - MiC REPRESENTS ITALY before the EU, the Council of Europe, other international bodies and international funds that issue supranational support to the sector (Creative Europe - MEDIA sub-programme, Eurimages, Ibermedia). It also manages bilateral funds with similar institutions in other countries to sustain the development of international co-productions.

DGCA - MiC SUPPORTS CINECITTÀ, Fondazione La Biennale di Venezia, Centro Sperimentale di Cinematografia, Museo nazionale del Cinema Fondazione Maria Adriana Prolo-Archivi di fotografia, cinema ed immagine, Fondazione Cineteca di Bologna, Cineteca italiana di Milano and Cineteca del Friuli di Gemona del Friuli.

DGCA - MiC HOSTS the Film Commissions' Coordination Body and oversees the portal for locations and national and regional production incentives www.italyformovies.com run by Cinecittà in partnership with the Italian Film Commissions Association.

MINISTERO DELLA CULTURA

DIREZIONE GENERALE CINEMA E AUDIOVISIVO

Piazza Santa Croce in Gerusalemme, 9A

00185 Rome, Italy

dg-ca@beniculturali.it

cinema.cultura.gov.it

