

The Commonwealth of Pennsylvania acting through the Department of Community and Economic Development offers a 25% tax credit to films that spend at least 60% of their total production budget in the Commonwealth. Eligible projects include: feature films, TV films, TV talk or game show series, TV commercials, and TV pilots or episodes intended as programming for a national audience. Applications can be filed up to 90 days prior to the start date of principal photography.

PIDC's bridge financing program will fill the gap between the time at which the production incurs filming expenses in Pennsylvania and when the tax credit proceeds are received.

## **USES**

Interim financing for PA Film Tax Credits

## **FINANCING**

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|---------------------|--|
| <b>Loan Amount:</b> | Financing will generally be made available at a rate of 85-90% of the net sale amount on the tax credit, up to a maximum of \$4.5 million. |
| <b>Term:</b>        | Negotiable, generally not exceeding 18 months  |
| <b>Rate:</b>        | PIDC bank rate plus 425 basis points (depending on market conditions and credit quality)   |
| <b>Collateral:</b>  | Assignment of proceeds from the sale of the PA Film Production Tax Credit and/or other collateral as PIDC deems appropriate.               |

## **TIMING & PROCEDURE**

- Project receives award letter from Commonwealth of PA and submits application to PIDC
- PIDC staff presents project to PIDC Loan Committee for approval
- PIDC Board of Directors reviews and approves loan
- PIDC settles financing and disburses line of credit based upon payment request
- Upon completion of production and review of independent audit report certifying Pennsylvania expenditures,  
Commonwealth issues tax credit
- PIDC receives payment from purchaser of tax credit

## **FEES**

- \$500 application fee
- 1% commitment fee paid at closing
- PIDC legal fees will apply and will vary based upon the project.

Fees are subject to change. Please confirm all transaction fees with PIDC prior to application.

For more information visit [PIDCphila.com](http://PIDCphila.com) or contact  
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