# Eligibility: Film Production Services Tax Credit

There are two principal film credits with differing regulations: The Film Production Services Credit and the Film Production Company Investment Credit.

To be considered for the **Film Production Services Tax Credit**, eligible productions must spend a minimum of $100,000 in W-2 salary and wages, per project, 30 minutes or longer and a minimum of $50,000 in W-2 salary and wages for projects less than 30 minutes in the state of Wisconsin, in the production of entertainment content created in whole or in part within this state for distribution or exhibition to the general public.

> As defined in Wisconsin State Statute 71.07 (5f) as *"Accredited production" means a film, video, broadcast advertisement, or television production, as approved by the state film office, for which the aggregate salary and wages included in the cost of the production for the period ending 12 months after the month in which the principal filming or taping of the production begins exceeds $100,000 for a production that is 30 minutes or longer or $50,000 for a production that is less than 30 minutes.*

Productions that may be approved for the tax credit include feature-length films, short films and documentaries, as well as scripted and unscripted TV projects by any means and media, in any digital media format, and on film or videotape using any technology for the recording, storage and reproduction of audiovisual material as defined by *Wis. Stat. § 41.15*.

Effective January 1, 2026, production types may include:

- Feature Film
- Short Film
- Documentary
- Competition Series
- Scripted TV
- Unscripted TV
- Broadcast Advertisement

Productions that are **not** eligible include:

- Any television program created primarily as news or current event programming that includes weather or financial market reports
- Talk shows
- Sports events and sports activities
- Galas or award shows
- Productions produced primarily for industrial, corporate or institutional purposes

- Video games
- Political campaigns
- Any finished production that solicits funds
- Any production for which records are required to be maintained under *18 U.S.C. 2257* with respect to sexually explicit content.

Eligible production companies should be aware of tax claim rules that could impact their final credits. There are two principal film credits with differing regulations.

**Film Production Services Tax Credit** – statutes are duplicated in various sections depending on the type of entity the applicant is: 71.07(5f) for individuals, trusts, and partnerships, 71.28(5f) for corporations, and 71.47(5f) for insurance companies. The most recent updates are in 2025 Wis. Act 174.

There are three parts to the Production Services credit:

1. 100% of sales/use taxes paid in Wisconsin for purchases used in production. May be sold/transferred, if approved by the Wisconsin Department of Revenue.

2. 30% of the first $250,000 of wages paid to each employee. May be sold/transferred, if approved by the Wisconsin Department of Revenue.

3. 30% of production expenditures. Refundable. Cannot be sold/transferred.

   *"Production expenditures" means any expenditures that are incurred in Wisconsin and directly used to produce an accredited production, including expenditures for writing, budgeting, casting, location scouts, set construction and operation, wardrobes, makeup, clothing accessories, photography, sound recording, sound synchronization, sound mixing, lighting, editing, film processing, film transferring, special effects, visual effects, renting or leasing facilities or equipment, renting or leasing motor vehicles, food, lodging and any other similar pre-production, production and post-production expenditure as determined by Film Wisconsin. "Production expenditures" also include expenditures for music that is performed, composed or recorded by a musician who is a resident of Wisconsin or published or distributed by an entity that has its commercial domicile in this state; air travel that is purchased from a travel agency or company that has its commercial domicile in this state; and insurance that is purchased from an insurance agency or company that has its commercial domicile in this state. "Production expenditures" does not include salary or wages or expenditures for the marketing and distribution of an accredited production.*

The Film Production Services Credits and the Film Production Company Investment Credits are effective for 2026 taxable year and thereafter.