



INTERPRETATION NOTE: FILM AND TV INCENTIVE

REFERENCE: FILM AND TELEVISION INTERPRETATION NOTE 02/2021

Film and Television Production Incentive

Purpose: To provide further clarity on the calculations and applicable fees, in relation to accessing milestone payments.

Guideline section reference	Interpretation note reference and reason
South African Film and Television Production Incentive	
1. Milestone qualification	
<p>11.2 The applicant wishing to make use of the milestone payment method must acquire a completion bond. The following will apply:</p> <ul style="list-style-type: none">• Seventy percent (70%) of the cost of the completion bond will be subsidised for productions between R1.5 million and R6 million;• Fifty percent (50%) of the cost of the completion bond will be subsidised for productions between R6 million and R10 million;• Productions over R10 million are required by financiers to have a completion bond in place and therefore no additional subsidy will be granted.	<p>A once off capped completion bond subsidy will apply when applicants apply to be considered for milestone payments and is calculated as follows:</p> <ul style="list-style-type: none">• Seventy percent (70%) of the cost of the completion bond will be subsidised for productions between R1.5 million and R6 million to a maximum of R300 000, whichever is the lesser amount or• Fifty percent (50%) of the cost of the completion bond will be subsidised for productions between R6 million and R10 million to a maximum of R300 000 or whichever is the lesser amount• Productions over R10 million are required by financiers to have a completion bond in place and therefore



<p>The disbursement according to milestone payments will be implemented as follows:</p>	<p>no additional subsidy will be granted and bonders fees will be capped at R300 000.</p>
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South African Emerging Black Filmmakers Incentive

<p>11.2 The applicant wishing to make use of the milestone payment method must acquire a completion bond. The following will apply:</p> <ul style="list-style-type: none"> Seventy percent (70%) of the cost of the completion bond will be subsidised for productions between R500 000 and R6 million; <p>Fifty percent (50%) of the cost of the completion bond will be subsidised for productions between R6 million and R10 million;</p> <ul style="list-style-type: none"> Productions over R10 million are required by financiers to have a completion bond in place and therefore no additional subsidy will be granted. 	<ul style="list-style-type: none"> Seventy percent (70%) of the cost of the completion bond will be subsidised for productions between R500 000 and R6 million to a maximum of R300 000, whichever is the lessor amount or Fifty percent (50%) of the cost of the completion bond will be subsidised for productions between R6 million and R10 million to a maximum of R300 000 or whichever is the lessor amount Productions over R10 million are required by financiers to have a completion bond in place and therefore no additional subsidy will be granted.
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NB: The disbursement according to milestone payments will be implemented according to the table below:

% Payment	Milestones
20%	Start of principal photography
20%	Completion of principal photography
20%	Start of post-production
40%	Submission of final audit of the production expenditure