

Want to film in Mexico?

# FILM PRODUCTION INCENTIVES IN MEXICO



## FOPROCINE

- Grants resources through coproduction contracts by means of venture capital or credit contracts.
- A trust for the production or post-production of fiction, documentary and animated features (75 minutes or more), in coproduction.
- Candidates must be Mexican production companies or individuals.
- Participation by foreign directors is subject to their association to a Mexican production company, at least two years of legal residence in the country and a solid background in Mexican cinema.



## FIDECINE

- A trust for the coproduction, post-production, distribution and exhibition of fiction and animated feature films (75 minutes or more), which offers support through venture capital and credit.
- In addition, it offers other stimuli for commercial run and for outstanding performance at festivals in Mexico and abroad.
- If the supported project recovers 100% of the amount received, there's a reserve equal to the sum previously granted to carry out the director's next project.



## EFICINE 189

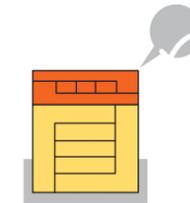
- A fiscal stimulus for taxpayers granted by Article 189 of Mexico's Income Tax Law (Ley del Impuesto Sobre la Renta), to support the production or post-production and distribution of fiction, documentary and animated feature films.
- Through EFICINE, taxpayers investing in film projects in Mexico can obtain a deductible tax credit equal to the sum of their investment. Each project cannot receive more than 1.5 million USD or maximum 80% of the cost of the project.



## PROAV

- Incentive program for high-impact film and audiovisual industries, designed to complement existing policies aimed at boosting and strengthening the film and audiovisual industry in Mexico.

**A comprehensive, three-pronged support mechanism:**



## ATA CARNET

- A customs document that allows the temporary import and export of non-perishable goods –for example, goods for exhibition displays and commercial equipment for production and conducting professional work.
- Goods must be re-imported to the country of origin in the maximum period of one year.



## 0% VAT INCENTIVE FOREIGN PRODUCTION WORK

- Foreign productions are entitled to claim back the VAT (Value Added Tax) at the end of the shooting, as long as the project is registered with the Ministry of Finance through a legally established Mexican company that is up to date with its tax payments.

THIS SUPPORT CAN BE COMBINED WITH EFICINE 189

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**Direct financial reimbursements of up to 7.5% of the budget spent in Mexico:**

Available for Mexican and foreign films and audiovisual projects with a minimum expenditure of 3 million USD in production costs or 700,000 USD in post-production expenses.

A combination of both production and post-production costs may apply, in which case the minimum will be 5.3 million USD.

The sum of both the fiscal (VAT refund) and financial incentives (cash reimbursement) will be capped at 17.5% of the budget spent in Mexico. Therefore, the difference between the VAT refund and the 17.5% cap will come in the form of a cash rebate from an independent fund managed by ProMéxico.

**Foreign productions are entitled to apply for a value-added tax (VAT) refund\***

This incentive is available for all types of productions regardless of budget. Not all expenses are subject to VAT in Mexico.

Usually, VAT refund will represent approximately 9-12% of the total expenses.

**A specialized service platform including all the government agencies at the federal level that are involved with the film and audiovisual industry at some point or another.**

\*In Mexico VAT rate is 16%.

For more information visit [www.imcine.gob.mx](http://www.imcine.gob.mx)