



## TEXAS MOVING IMAGE INDUSTRY INCENTIVE

### PROGRAM GUIDELINES

Feature Films ★ Television ★ Reality TV ★ Commercials  
Video Games ★ Visual Effects ★ Animation ★ XR

[www.gov.texas.gov/film/page/miip\\_forms\\_guidelines](http://www.gov.texas.gov/film/page/miip_forms_guidelines)  
[film incentive@gov.texas.gov](mailto:film incentive@gov.texas.gov)  
(512) 463-9200

**Effective Dates: Sep. 1, 2021 - Aug. 31, 2023**

# TABLE OF CONTENTS

Detailed Production Timeline and Deliverables.....3

Declaration of Texas Residency (DTR) Forms.....5

Payroll Expenditures.....6

Vendor Expenditures.....8

Petty Cash Expenditures.....10

Cast & Crew Lists.....11

Location and Production Schedule Documentation.....12

The Submission Process and Requirements.....13

Quick Reference Timeline.....15

# INCENTIVE TIMELINE AND DELIVERABLES

## PRE-PRODUCTION

- Submit an inquiry online using the [Incentives Inquiry Form](#) on the TFC website. When your form is received, a member of the incentives team will contact a project representative.
- Apply no earlier than 120 days prior and no later than 5 p.m. CT, 5 business days before the first day of production. To request a link to the application, please contact the TFC Incentives Team at [filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov). Links are valid for 7 days.

### Upon Acceptance Into the Program:

- Agree to the mandatory terms of the Grant Contract. Contracts must be signed by both parties within 45 calendar days of Award Letter.
- Set up the mandatory kickoff meeting or conference call between an incentives team representative and project producers / accounting personnel to go over program requirements and questions.
- Post a crew call / job posting on the TFC website. E-mail [filmmarketing@gov.texas.gov](mailto:filmmarketing@gov.texas.gov) for more information.
- Distribute copies of the Program Guidelines and current Declaration of Texas Residency (DTR) form to eligible Texas cast and crew members. The current DTR form can be found on the [TFC website](#).
- Make sure location personnel understand the [underutilized/economically distressed qualifications](#).
- Contact your payroll company to set up appropriate formatting for reports, per program guidelines.

## PRODUCTION

- Confirm the start of production with the TFC no later than 5 business days after the commencement of principal photography/game production. Applicants must send this confirmation to the TFC Incentives team via email at [filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov). NOTE: Failure to confirm the start of production may put your project at risk for disqualification.
- Ensure all paid Texas resident crew, cast and extras complete a Declaration of Texas Residency form. Double check to ensure the form is complete and legible, and that each driver's license # is 8 digits, and all the information verified by the Production Representative.
- Gather and document all eligible Texas expenditures as detailed in the guidelines (see pages 5-12).
- Notify the TFC Incentives Team by e-mail immediately if you push your start date, go significantly over your projected budget, have a questionable expense, or extend the production schedule. Lack of notification may lead to disqualification.
- Submit the Quarterly Grant Status Report with production updates at the end of November, February, May, and August once the contract has been executed. Email reports to [filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov).

## POST PRODUCTION

- Confirm your project completion or wrap date in writing by emailing the TFC at [filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov).
- Contact the TFC Incentives Team before submitting your final documentation if you have any questions regarding your project's submission materials.
- Submit the final documentation (see page 13) and final content for your project to the TFC within 60 days of the final Texas expenditure. Notify the TFC immediately if you think you may not comply with this deadline. Post production costs completed in Texas qualify for the incentive. Productions completing post in Texas should plan to submit documentation 60 days after their final post expenditures.
- Contact the TFC Incentives Team regarding the required use of the TFC logo and submission of screen capture of logo in end credits for review and approval. E-mail [filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov) for further instructions.
- Contact the TFC Marketing Team for submitting press kits, behind-the-scenes photos, one-sheet posters, and other marketing materials. E-mail [filmmarketing@gov.texas.gov](mailto:filmmarketing@gov.texas.gov) for further instructions.
- Submit the Quarterly Grant Status Report with production updates at the end of November, February, May and August once the contract has been executed. Email reports to [filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov) for further instructions.

## SUBMISSION

- Use the Excel Worksheet Instructions provided by the TFC to create project worksheets. Excel worksheets must be formatted according to the [Texas Expenditures Worksheet Instructions](#).
- Submit digital final documentation to the TFC via our secure online portal. Call our office or email [filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov) to request a link. Links are valid for 7 days. **Please see the section on organizing your submission beginning on page 13.**

*NOTE: The TFC will do a preliminary assessment of your documentation upon receipt of your submission. If additional documentation is necessary a TFC Incentives Team representative will contact you directly.*

- Submit a copy of required Final Content containing approved use of the TFC logo.

## QUESTIONS?

**Please contact a TFC Incentives Team representative.**

**(512) 463-9200**

[filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov)

# DECLARATION OF TEXAS RESIDENCY (DTR) FORMS

Valid Declaration of Texas Residency Forms (DTRs) must be submitted for all paid crew and cast who worked in Texas for whom payroll expenditures are being submitted. Payroll expenditures include individuals paid through payroll, paid as independent contractors, or paid via loan-outs.

Download the current DTR form: [gov.texas.gov/film/page/miiip\\_forms\\_guidelines](http://gov.texas.gov/film/page/miiip_forms_guidelines).

In order to complete the DTR form employees must provide **one** of the following forms of ID\* as proof of residency:

1. Valid Texas driver's license or ID card
2. Current Texas voter registration
3. ID from a Texas college or university

**THE CURRENT VERSION of the DTR form (Form DTR Rev 2018-09) became effective in September 2018. Previous versions will not be accepted**

**\*All forms of ID must be valid 120 days prior to the start of production.**

## Common Causes For Invalid DTRs:

- Driver's license number incomplete
- Driver's license expiration date incorrect, dates must be written **MM/DD/YYYY**
- Driver's license not valid 120 days prior to start of production
- Missing date of birth
- DTR not initialed or signed by employee
- DTR not signed by production, pre-signed by production before employee, or blanket signed / prematurely verified by production
- DTR missing employee address
- DTRs for minors not signed and Texas residency information completed by parent or guardian. *DTR must include parent or guardian's relationship to minor.*
- Missing proof of residency
- Voter registration number incomplete, must be 9 digits or more
- Higher education ID cards not from a Texas college or university. High School ID's are ineligible.

# PAYROLL EXPENDITURES

## ELIGIBLE PAYROLL EXPENSES

Gross wages and fringes paid by the applicant for valid Texas residents are eligible.

- Payments to loan-out companies are acceptable as long as the employee provides a valid DTR.
- Only employer paid taxes and fringes are eligible. Employee taxes and payroll deductions are not eligible.
- Employer paid benefits for employee dependents are not eligible.

Box/Kit rentals, mileage, car allowances, housing allowances, and per diem are also eligible if paid to a valid Texas resident and the appropriate backup documentation is provided (e.g. box/kit invoices, mileage logs, signed per diem sheets).

### **Eligible Fringes Include:**

- Social Security (OASDI, SS or may be combined with Medicare as FICA)
- Medicare (MEDI, MDCR or may be combined with Social Security as FICA)
- Federal Unemployment (FUI or FUTA)
- State Unemployment (SUI or SUTA)
- PH&W (Pension Health and Welfare, and other employer paid benefits)\*
- Vacation, Holiday, and Sick Pay
- Worker's Compensation (W/C)\*\*
- Payroll Handling Fees\*\*

*\* Benefits not paid through a third-party payroll company are eligible if paid to a Texas company and appropriate backup documentation is provided.*

*\*\* W/C and Handling Fees are eligible if paid to Texas vendors or entities with brick and mortar Texas locations.*

## ACCEPTABLE PAYROLL DOCUMENTATION FOR INCENTIVES SUBMISSIONS

In addition to completed DTR forms for Texas residents, one type of backup documentation below is required for each submission. Applicants may submit more than one type of backup documentation for their project.

1. 3rd Party Payroll Company Reports or Registers including all wages paid to Texas residents and all fringes broken out. Fringes not separated will not be allowed.
2. Copies of cleared payroll checks and time cards for all paid cast and crew.
3. Invoices and cleared check copies paid to independent contractors.

*Kit rental invoices or mileage logs may be requested should further information be needed during the audit review.*

### Common Causes for Ineligible Payroll Expenses:

- Wages submitted for non-Texans
- Missing or invalid DTRs
- Missing box/kit rental forms, mileage logs, and per diem signature sheets
- W/C and Payroll Handling fees from non-Texas entities
- Fringes not broken out separately
- Bonuses, miscellaneous wages and unidentified amounts missing explanation
- Payroll company information missing from reports

**BENEFITS** paid separately from payroll are eligible if appropriate backup is provided and the costs are broken out by employee per pay period.

**SELF FUNDED MEDICAL PLANS or DIRECT CLAIMS PAID** are ineligible.

For **W/C** to be eligible, the policy must be procured through a TX insurance company or agent.

**BONUSES** paid to crew members are eligible only if they are project related. Bonuses given for relocation are considered overhead and are not eligible. An explanation of project related bonuses must be provided.

**VIDEO GAME, ANIMATION, AND VISUAL EFFECTS PROJECTS** must include time allocations for their employees. Refer to the [Worksheet Instructions](#).

# VENDOR EXPENDITURES

**Most production related vendor expenditures are eligible expenses, if the following are true:**

1. The expenditure is paid to a Texas vendor (valid TX address and/or phone #).
2. Proof of payment to the vendor (cleared check copy, credit card receipt etc.) is provided.
3. The date on the invoice falls within a reasonable period of time during pre-production, production, or post.
4. The expenditure does not include any ineligible items/services. *See below.*

## **Ineligible Expenditures:**

- Alcohol
- Tobacco
- Tips / Gratuities
- Clearance rights / Licensing fees
- Story rights / Development costs
- Internet purchases missing Texas location of purchase
- Pass-through companies and service expenditures
- Entertainment / Gifts / Wrap party fees
- Adult-oriented material
- Expenses related to production company overhead (i.e. costs that would be incurred even if the project were not in production)
- Marketing / Publicity / Promotional costs
- Distribution / Festival or conference costs

**LOCATION EXPENSES** are eligible but the production must provide a copy of the fully executed signed location agreement or the rental invoice as backup documentation in addition to proof of payment. Check requests are not valid backup documentation as they are generated by the production and not the vendor.

**PRE-PRODUCTION COSTS** submitted for video games cannot exceed 30% of the total spend eligible for the incentive.

**APPLICANTS** hiring a local company to produce their project must provide the appropriate layers of backup for the audit. Submissions will not be accepted with "single vendor" documentation. Related party agreements or production service agreements must also be provided.



## ACCEPTABLE VENDOR EXPENDITURE DOCUMENTATION FOR INCENTIVES SUBMISSIONS

1. Invoices / receipts with proof of payment.
2. Full hotel / motel folio with proof of payment.
3. Fully executed signed location release / agreement with proof of payment.
4. Check requests with appropriate invoice backup documentation and proof of payment.

### ACCEPTABLE FORMS OF PROOF OF PAYMENT INCLUDE:

1. Cleared or canceled check copies
2. Credit card receipts or credit card statements
3. Invoices and / or statements showing a zero account balance

#### Common Causes for Ineligible Vendor Expenditures:

- Missing Texas vendor information and dates
- Tips, alcohol, entertainment, gifts submitted
- Missing invoices, location releases, proof of payment
- Lack of asset distribution for single items over \$1,000
- Costs for shipping that did not originate in Texas
- Airfare purchased from an airline that is not a Texas-based company
- Internet purchases not made to a Texas vendor
- Expenses paid by an entity other than the production / incentive program applicant
- Quotes / estimates submitted instead of invoices.
- Illegible or incomplete digital scans
- Travel expenses for individuals not identified as cast or crew by the applicant, or required via contract

**PROJECT LAUNCH** costs and conference expenses are not eligible.

**ALLOWABLE TRAVEL EXPENSES** include: airfare for flights arriving to or departing from Texas and paid to American Airlines or Southwest Airlines, Texas hotel fees, and Amtrak fares purchased at a departure point in Texas.

**SINGLE ITEMS** purchased for \$1000.00 or more are considered assets. The applicant must provide an explanation of demolition, holdover, or resale in order for the expense to be eligible. For resale items, only the difference between the original purchase price and resale price will be eligible.

# PETTY CASH EXPENDITURES

**Similar to vendor expenditures, most production related petty cash expenses are allowable if the following are true:**

1. The expenditure is paid to a Texas vendor (valid TX address and / or phone #).
2. The date on the receipt or invoice falls within a reasonable period of time during pre-production, production, or post.
3. The expenditure does not include any ineligible items / services.

*See Vendor Expenditures (Page 8) for a list of ineligible items.*

## ACCEPTABLE PETTY CASH DOCUMENTATION FOR INCENTIVES SUBMISSIONS

1. Petty cash receipts can be submitted by envelope total or by single receipt total, **NOT** by internal coding or reference number.
2. Receipts should be submitted in the order they correspond on the envelope.
3. Faded, folded, or taped receipts should be copied to show the entire receipt.
4. If submitting by envelope totals, ineligible items should be removed by the production and envelope amounts revised and noted to reflect any adjustments. If submitting by individual receipt, the envelope must note which receipts are submitted and which are not. All adjustments to receipts and envelopes must be documented indicating the adjustments and revised amounts. Show your work.

### **Common Causes for Ineligible Petty Cash Expenditures:**

- Illegible or faded receipts.
- Receipt missing Texas vendor information and / or date.
- Submission of ineligible items / non-Texas expenditures.
- Per Diem submitted without valid DTRs and signed sheets.
- Prepaid gas receipts that do not show price per gallon.
- Food receipts that are not itemized.
- Receipts do not match amounts claimed on the Petty Cash worksheet.

***EXTRAS** paid through petty cash must have a valid DTR and a signed extra's release form voucher, or invoice.*

***FOOD PURCHASES** and restaurant receipts must be itemized to ensure that alcohol is not submitted for the incentive.*

***PURCHASES** submitted with returned items must submit the return receipt in order for the submitted amount to be eligible.*

# CAST & CREW LISTS

To document that projects meet the minimum 70% residency requirement, a detailed Crew List and Cast List must be included as part of the incentive submission. All individuals, both Texas residents and non-residents, paid as crew and cast for work in Texas should be included. Cast and crew who did not work in Texas should not be included.

## CREW LIST

**A detailed Crew List must include all crew members paid for work in Texas including:**

- Employees paid by the applicant through payroll
- Independent contractors hired for traditional crew positions or production jobs
- Any crew person listed on a call sheet with a call time
- Any person paid to create, modify or test assets for a digital media project

*Executive Producers not working on location will not be counted as crew; neither will those positions not paid by the production (e.g. Motorhome drivers required on set but paid by the vendors).*

## CAST LIST

**A detailed Cast List must include all cast members paid for work in Texas including:**

- Cast and extras paid through payroll
- Cast and extras hired as independent contractors
- Cast and extras paid cash
- Cast paid for motion capture work
- Cast paid for voiceover (VO) work
- Stand-ins and background performers paid as extras.

# LOCATION AND PRODUCTION SCHEDULE DOCUMENTATION

Projects are required to complete 60% of their total production days in Texas. Applicants must submit copies of all call sheets, production reports, and/or a production schedule. Digital media (animation, video game, VFX, or XR) projects must submit their studio location and/or milestone calendar in addition to their production schedule.

If production occurs outside Texas on the same calendar day as in-state production then the project will receive partial credit for that day toward the 60% requirement.

## UNDERUTILIZED AND ECONOMICALLY DISTRESSED AREAS

Productions using locations in certain areas of the state may be eligible for a bonus of 2.5%. Projects that apply, will receive the bonus if 25% of their total production days occur in an underutilized or economically distressed area.

- Underutilized areas are all locations outside the 30 mile radius zones of Austin and Dallas.
- Economically distressed areas exist within the 30 mile radius of either Austin or Dallas and are noted in purple on the maps (link below).
- Productions can search locations or potential locations in order to determine their underutilized and economically distressed qualifications.
- View maps specifying these areas designations at: [gov.texas.gov/film/page/underused\\_areas](http://gov.texas.gov/film/page/underused_areas).

### Calculating Time in Underutilized and Economically Distressed Areas:

- When calculating underutilized and economically distressed production day percentages all locations used on a single day will be counted equally regardless of time spent at the location, including Second Unit locations.

Ex.: If the main unit shoots in three locations and the 2nd Unit in one then four locations will be credited for that day. If two of the four locations are underutilized then .50 of a day will go toward the 25% .

- Locations must be identified on Call Sheets or Production Schedules

*Productions having one or more shooting locations not located in an underutilized or economically distressed area but that have a basecamp located in a qualifying area serving those locations may be eligible to receive credit for the underutilized and economically distressed bonus.*

*The basecamp location must appear on the call sheets and production reports and the applicant must have paid financial compensation for the basecamp in order to be eligible.*

# THE SUBMISSION PROCESS AND REQUIREMENTS

Submit final qualifying documentation to the TFC digitally via our online portal for secure file transfer. Call or email to request a link. **Applicants have 60 days from their final Texas expenditure to turn in their documentation.**

## REQUIRED DOCUMENTATION FOR FINAL SUBMISSION

- A completed and signed [Verification Worksheet](#) for the project.
- Completed [Texas Expenditures Worksheets](#) in Excel. *See Worksheet Instructions.*
- Documentation of spend for all submitted expenditures including payroll, vendor / AP, petty cash, credit card, and purchase card, if applicable.
- Declaration of Texas Residency (DTR) forms.
- Detailed crew / cast lists including all crew / cast members paid for work in Texas. *See Worksheet Instructions.*
- Final production reports, call sheets, production schedule.
- Acceptable Final Content: A digital copy of the film, game, or commercial OR a link to content that DOES NOT expire.
- Marketing materials and screenshot of the Texas Film Commission logo in final credits, if not already submitted.

**ALL REQUIRED FORMS AND WORKSHEET INSTRUCTIONS CAN BE DOWNLOADED FROM THE TFC WEBSITE AT:** [gov.texas.gov/film/page/miip\\_forms\\_guidelines](http://gov.texas.gov/film/page/miip_forms_guidelines).

## PROCESS AND ORGANIZATION FOR FINAL SUBMISSION

Applicants may submit their projects electronically via the online portal for secure file transfer. Applicants ready to submit must call or email the TFC to request the transfer link. Links are valid for 7 days. Backup documents must be scanned as PDF files and clearly labeled.

### Payroll

Third party payroll registers should be scanned and clearly marked as crew or cast payroll. A PDF summary register for the run of the production is preferable, but if separate registers are submitted for each pay period, dates need to be clearly marked.

Non-third party payroll documents should be scanned and submitted in separate folders organized by employee. Each employee folder should include all timecards or invoices, check copies, kit rental invoices, mileage forms, and other applicable documentation.

### Declaration of Texas Residency (DTR) forms

DTRs should be submitted in PDF format, organized alphabetically by last name with separate files for crew, cast, and extras.

## PROCESS AND ORGANIZATION FOR FINAL SUBMISSION (CONT'D)

### Vendor

Vendor documentation can be submitted in one of two ways: invoices/receipts and proof of payment can be submitted by vendor in individual files or as one large PDF with the invoice followed by proof of payment.

If vendor documentation is submitted in one large PDF file, the order of the scanned documents must correspond EXACTLY to the order in which expenditures are submitted on the vendor Excel worksheet. Proof of payment scanned separately from invoices and receipts may not be accepted if it cannot be reconciled easily.

### Petty Cash

Petty cash expenditures should be scanned and submitted by individual transaction or by envelope and employee, with each employee in a separate file. Receipts scanned by internal reference number or grouped by coding **will not** be accepted.

### Documentation Folders

Scanned documents should easily reconcile with the submitted Excel worksheets; if they do not then the applicant will be asked to rescan and organize them appropriately. This will delay the audit.

**Documentation must be organized into folders and labeled as follows. Not all applicants will utilize all subfolders.**

- Verification Worksheet
- Excel Worksheets
  - Payroll Worksheets
  - Non-Wage Worksheets
  - Locations Lists
  - Cast and Crew Lists
- Residency Backup
  - Crew DTRs
  - Cast DTRs
  - Extras DTRs
- Payroll Backup
  - Third Party Payroll Reports
  - Non Third Party Payroll Backup
  - Box/Kit Rental Backup
  - Mileage logs
- Non-Wage Backup
  - Vendor Backup
  - Petty Cash Backup
  - Credit Card Backup
  - Journal Entry / Other Backup
- Production Day Backup
  - Call Sheets
  - Production Reports
  - Production Schedules / Calendars
- Final Content
- Logo Screen Capture and Marketing Materials
- Additional Documentation

**Submissions must be complete and received in their entirety. The TFC will not accept an incomplete or partial project file submission for audit.**

# QUICK REFERENCE TIMELINE

## PRE-PRODUCTION

Submit an inquiry online using the [Incentive Inquiry Form](#).

Apply for the incentive no later than 5pm CT, 5 business days before the first day of production.

If applicant is accepted, return required vendor forms within 7 calendar days of receipt.

Set up required kickoff meeting or conference call with the TFC.

Establish a designated email account for cast and crew resumes and submit a crew call to the [TFC Job Hotline](#).

[Download forms](#) from the TFC website.

Review Grant Contract. Contracts must be signed by both parties within 45 calendar days of Award Letter.

## PRODUCTION

Download [Texas Expenditures Worksheet Instructions](#) from the TFC website.

E-mail TFC to confirm start of production within 5 business days of the project's start date.

Notify the TFC immediately if the start date pushes, budget increases, or the production schedule is extended.

Have all crew, cast and extras complete a [Declaration of Texas \(DIR\) form](#).

Double check that the information on DIR forms is accurate, complete and verified.

Make sure all Texas expenditures have valid backup documentation.

Submit Quarterly Grant Status Report with production updates at the end of November, February, March and August once the contract has been executed.

## POST-PRODUCTION

Submit screen shot of TFC logo used in the final credits to [filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov).

Notify TFC of your last Texas expenditure.

Contact the TFC with any questions as you begin preparing your submission materials.

Submit your final documentation including final content to the TFC within 60 days of your last Texas expenditure.

Submit press photos, poster and marketing materials to the TFC Marketing Team to [filmmarketing@gov.texas.gov](mailto:filmmarketing@gov.texas.gov).

Submit Quarterly Grant Status Report with production updates at the end of November, February, March and August once the contract has been executed.

## SUBMISSION

Refer to these [Program Guidelines](#) and [Texas Expenditures Worksheet Instructions](#) for details on how to finalize the submission.

Ensure Texas Expenditure worksheets and submitted documents are organized per the Worksheet Instructions and accurately reflect your submitted totals.

Check all Texas Expenditure worksheet formulas and sums.

Submit digital documents to the TFC via the online portal for Secure File Transfer. Request the link by calling or [emailing](#) the TFC.

Submit a copy of the final content of the project containing approved use of the TFC logo.

**Contact Us: Texas Film Commission (TFC) Incentives Team**

**(512) 463-9200** ★ [filmincentive@gov.texas.gov](mailto:filmincentive@gov.texas.gov)