



SNOWBATE

ELIGIBILITY REQUIREMENTS	20% REIMBURSEMENT	25% REIMBURSEMENT
FEATURE FILM DOCUMENTARY MUSIC VIDEO	Qualified minimum MN spend of \$100K & 50% of budget available in verified funds at time of application.	Qualified minimum MN spend of \$1M OR shoot minimum 60% of days outside metro area with qualified minimum MN spend of \$100K. 50% of budget available in verified funds at time of application.
NATIONAL TELEVISION PROGRAM, SERIES, or EPISODE (New or relocating only) Production, development or syndication contract from commissioning broadcast or online network required	Qualified minimum MN spend of \$100K.	Qualified minimum MN spend of \$1M OR shoot minimum 60% of days outside metro area with qualified minimum MN spend of \$100K.
TELEVISION PILOT Must be intended for national exhibition and reasonable commercial exploitation	Qualified minimum MN spend of \$100K & 50% of budget available in verified funds at time of application if not commissioned.	Qualified minimum MN spend of \$1M OR shoot minimum 60% of days outside metro area with qualified minimum MN spend of \$100K. 50% of budget available in verified funds at time of application if not commissioned.
TV COMMERCIALS	Qualified minimum MN spend of \$100K not including production fee.	Qualified minimum MN spend of \$1M not including production fee OR shoot minimum 60% of days outside metro area with qualified minimum MN spend of \$100K.
INTERNET	Must be linear, non-interactive works presented under one creative treatment and fit into one of the above categories. Branded content is not eligible.	Must be linear, non-interactive works presented under one creative treatment and fit into one of the above categories. Branded content is not eligible.
POST PRODUCTION ONLY	Qualified minimum MN spend of \$50K.	Qualified minimum MN spend of \$200K.

Applicants must be a corporation, limited liability company or partnership where the partners are a corporation and/or LLC, or limited partnership. Agencies may not apply. Consult with a tax advisor regarding tax implications of expense reimbursement. *All categories of production must be consistent with the purpose of the funding legislation, Minnesota Statutes section 116U.26, creating new film production jobs in Minnesota.*

Please allow two weeks for certification.

These Guidelines apply to all applications received after July 1, 2017.

This is a summary of Snowbate eligibility. Complete Snowbate Guidelines follow.

SNOWBATE GUIDELINES

Snowbate is a production incentive passed by the Minnesota Legislature and signed into law by the Governor to create new film production jobs in Minnesota. Snowbate provides a reimbursement of 20-25% of production and post costs for qualifying projects. Snowbate is funded by Minnesota statute 116U.26 with administrative oversight and control by the commissioner of the Department of Employment and Economic Development.

Eligibility of reimbursements is based on the language of this statute and is non-negotiable.

Snowbate reimbursement is on a first-come, first-served basis with priority given in the order received.

Submission of an application does not in any way guarantee that you will receive a reimbursement or that reimbursement funds will be available. Applications are received and reviewed by MN Film and TV with final approval and reimbursement payment to follow at the end of production or post production.

HOW TO APPLY

Projects must meet Snowbate eligibility requirements described on page 1 in order to apply for reimbursement funds. Submit Snowbate application no earlier than **90 days** BEFORE MINNESOTA PRINCIPAL PHOTOGRAPHY BEGINS. Projects spending \$1M or more may apply up to six months before production begins. Projects that have begun Minnesota principal photography are not eligible. Post Production Only should submit application no earlier than 90 days before the start of post production.

There is no fee to apply. Projects will not be certified until ALL required materials are received and reviewed by MN Film and TV (attachment checklist on page 6). Only complete applications will be considered. Expenses incurred before project certification (the date on the project certification letter) will not be eligible for reimbursement. Submission of an application does not guarantee reimbursement.

PLEASE ALLOW TWO WEEKS FOR CERTIFICATION FROM TIME OF SUBMISSION

Ship, mail, messenger or email applications to:

MN Film and TV

Attn: Jill Johansen, Incentives Specialist

401 North 3rd Street, Suite 245

Minneapolis, MN 55401

Phone: (612) 767-0095

Fax: (612) 767-2425

Email: jill@mnfilmtv.org

Web: www.mnfilmtv.org

CERTIFIED PROJECTS

Projects are considered certified when MN Film and TV assigns a project number and notifies you of your certification by letter or email. **Expenses incurred before project certification (the date on the project certification letter) will not be eligible for reimbursement.**

ALL CERTIFIED PROJECTS ARE REQUIRED TO:

- Schedule a Snowbate processing procedures meeting with the Incentives Specialist *before* production begins. Key people responsible for preparing the Snowbate Expenditure Report should participate in this meeting.
- Complete the Snowbate Expenditure Report (SER) in the requested format with all required documentation clearly legible. Documentation not submitted in the requested format will be returned.
- Submit completed SER with both hard and electronic/scanned copies of required documentation.

A PROJECT MAY LOSE SNOWBATE ELIGIBILITY OR BE DISQUALIFIED IF:

- The production entity falls out of good standing with the Secretary of State in the state where the entity is incorporated.
- Production is suspended, funding is lost, or the production will no longer take place in Minnesota or MN Film and TV has evidence the production will not occur or will be ineligible for some other reason.
- The production no longer meets eligibility requirements (i.e. minimum spend).
- Production fails to meet documentation submission deadlines.

A certified project that loses Snowbate eligibility or is disqualified may reapply by completing and submitting a new project certification application with new attachments, assuming MN principal photography has not yet begun.

SNOWBATE INCENTIVE PROGRAM ELIGIBILITY

ELIGIBLE MINNESOTA (MN) PRODUCTION EXPENDITURES (including but not limited to):

- Airfare (MN-based airlines only or purchases made through a MN travel agent), MN Lodging and MN Transportation (including Rentals, Fuel, Mileage, Parking)
- MN Personnel including Screenplay/Script writing fees, Crew, Production Personnel (including Fringes), Legal Fees paid to MN law firms relating to Production Contracts i.e.: Labor contracts, licensing rights etc. are allowed. **Note: legal fees relating to development, marketing or business entity set up are not allowed.**
- MN Acting Talent, Agent fees and Legal fees relating to Talent Contracts
- **Non-resident ATL producer and director fees and non-resident ATL principal acting talent fees will be reimbursed for the time worked in MN up to \$100K per person provided the certified production withholds MN income tax for payrolled personnel.**
- Per Diem and housing allowances are reimbursable to all paid personnel, both MN resident and non-resident, but only while working in MN
- Payroll processing fees paid to a MN payroll company
- Employee benefits (i.e. health insurance) if paid to a MN company
- Sets, Props and Wardrobe including Set Construction, Materials, Purchases and Rentals (including box rentals) paid to a MN company
- Production Office Rental, Production Office Equipment Rental and Production Office Supplies paid to a MN company
- Studio/Soundstage Rental paid to a MN company
- Equipment Rental including Camera, Grip, Lighting and expendables paid to a MN company
- Digital Media and Storage Devices and related processing including Film Transfer and Dailies purchased in or paid to a MN company
- Food and Catering Expenses including Craft Service, Working Meals and Crew Meals paid to a MN company. **Alcoholic beverages are not eligible for reimbursement. Itemized receipts are required.**
- MN Location Expenses including Location and Permit Fees
- Editing and related post production expenses, including Legal Fees relating to post production i.e. labor contracts, licensing of music, etc. paid to a MN company
- Other direct costs of producing the Feature Film, Documentary, Music Video, National Television Program or Series, Television Pilot, TV Commercial, Internet Program or Post Production work paid to a MN company

TV Commercial production is exempt from sales tax: <http://www.revenue.state.mn.us/businesses/sut/factsheets/FS163.pdf>

EXPENDITURES NOT ELIGIBLE FOR REIMBURSEMENT (including but not limited to):

- Alcoholic Beverages and Tobacco
- Fees Relating to Development, Marketing (Promotions) or Business Set up (Including Legal Fees)
- Capital Equipment Purchases (with the exception of portable hard drives)
- Purchases sourced outside of Minnesota (pass-throughs)
- Wrap Parties, Gifts and Festival Submission Fees
- Expenses relating to illegal activities including, but not limited to tickets issued for parking or moving violations, towing fees, etc.
- Damages due to accidents, loss or theft

INELIGIBLE CATEGORIES OF PRODUCTION AND POST PRODUCTION:

- News, current events, public programming, or programs that include weather or market reports
- Talk shows
- A sports event or sports activity
- Production with respect to a questionnaire or contest
- Gala presentation or awards show
- Finished production that solicits funds
- Home shopping programming
- Local or regional television programming
- Production for which the Production Company is required under United States Code title 18, section 2257, to maintain records with respect to a performer portrayed in a single-media or multimedia program.
- Branded content

OTHER CONSIDERATIONS

Feature films may choose to bundle multiple smaller budget projects under one application to qualify for 25% reimbursement. 50% of funding for all projects must be available at the time of application. Total qualified minimum MN spend of \$1M must occur within a 12 month period. Projects will be certified at 25%, however reimbursement will only be paid at 20%. The additional 5% will be released once \$1M minimum threshold is achieved. Contact our office for details.

Documentary projects with a production schedule spanning multiple years may reapply for Snowbate if they meet 50% of budget in verified funds requirement annually. Contact our office for details.

ADDITIONAL REQUIREMENTS

Before reimbursement is released, Feature Films and TV are required to:

- Provide MN Film and TV with daily call sheets, production logs or equivalent
- Provide a crew list to MN Film and TV
- Provide the name and contact information of the unit publicist or person responsible for interfacing with media
- Provide MN Film and TV with 3-5 production stills in electronic format with rights cleared for promotional use by MN Film and TV

All productions with onscreen credits must include the Snowbate logo and permit MN Film and TV to identify the production in its marketing and promotional materials.

SNOWBATE PAYMENT PROCESSING

Once certified production/post production activity is complete, applicants must complete and submit the following paperwork in order to receive payment.

SNOWBATE EXPENDITURE REPORT (SER)

The Snowbate Expenditure Report (SER) is an Excel Spreadsheet that has a cover sheet and a separate sheet for each category. Totals from each tab/category are programmed to roll-up to the cover page of this report (SB Cover Sheet). The Snowbate Expenditure Report should be submitted in hard copy, with attachments (legible copies of invoices/receipts) and required affidavit AND sent via email with a scanned copy of receipts and invoices. Projects with \$1M or more of MN Expenditures within 12 months from project certification may be required to submit to review of expenditures by a certified public accountant in addition to the SER. MN Film and TV will provide an experienced CPA.

Projects that have less than \$1M in Minnesota Expenditures within 12 months from project certification are required to complete the full Snowbate Expenditure Report (SER).

HOW TO SUBMIT SER

Read all the materials BEFORE you start production, follow the directions and contact us immediately if you have any questions. Complete the Snowbate Expenditure Report (SER) in the requested format with all required documentation clearly legible. **Documentation not submitted in the requested format will be returned.** It is helpful to group your petty cash in like categories. (i.e. list all transportation together, meals together, props together etc.). To facilitate preparation of the SER, please notify your production staff of this grouping BEFORE you start production.

List each individual expenditure (vendor or payee name) in the appropriate category on the SER (i.e.: Dunn Brothers Coffee NOT Mary Jones/PC) with each individual receipt amount. **The invoice or receipt AND the date of the work or service performed must be within the certification period or it will not be eligible for reimbursement.** All copies of receipts and invoices should include a date (mm/dd/yy), Minnesota address and amount. Invoice/receipt copies should be attached **and numbered** to correspond to the list. Attach copies in the same order they are listed. **Do not** list a group of expenses as one total with notation to "see Petty Cash" or submit petty cash envelopes. You must also list the sales tax for each purchase in the appropriate column and the zip code where the purchase was made.

Receipts must be legible. **If expense documentation is illegible, the expense will not be reimbursed.** If the MN address or date is not printed on the receipt, you may write this information on the receipt. DO NOT include copies of your checks, purchase orders, packing slips, petty cash reports or reconciliations etc. however, MN Film and TV reserves the right to request these as additional backup.

When payee is MN personnel, their home address should be listed on the SER form in the designated column. Keep copies of a valid Minnesota driver's license, ID card, Minnesota voter registration card or equivalent as proof of Minnesota residency on file for all Minnesota personnel. MN Film and TV, the State of Minnesota, the State Auditor and the Legislative Auditor reserve the right to conduct an examination of the Drivers Licenses, ID cards, voter registration cards or equivalent you have on file for a minimum of six years. Submit your payroll company invoice or internal payroll register to verify payroll paid to MN workers. If using a non-MN payroll company, handling fees must be deducted from your payroll totals.

PLEASE BLACK OUT SOCIAL SECURITY NUMBERS FROM ALL DOCUMENTS SUBMITTED INCLUDING INVOICE COPIES AND PAYROLL REGISTERS.

Alcohol and tobacco expenditures are not allowed even if the alcohol or tobacco was purchased as a prop. **If Meal Receipts are from a restaurant that serves alcohol, the receipt should show detail of purchases (i.e.: top credit card copy alone is not enough).** If itemized receipts for meals are not always available, we may accept a signed and notarized affidavit stating that no alcohol was included in the submission (affidavit available with Snowbate forms). If there are excess credit card copies with no itemization, MN Film and TV may deduct those expenses from the total reimbursement.

Submit completed SER with both hard and electronic/scanned copies of all invoices and receipts. The Reimbursement Affidavit should be signed, notarized and submitted with your Snowbate Expenditure Report and backup documentation. The affidavit is a legal and binding document.

PAYMENT

Once all required documents are received by MN Film and TV, the SER, backup documentation and Reimbursement Affidavit are reviewed in the order received. Upon MN Film and TV's final approval of SER, request for reimbursement payment will be made. All books, records, documents, accounting procedures and practices relevant to the reimbursements are subject to examination by MN Film and TV and/or The State of Minnesota and/or The State Auditor for a minimum of six years. **Consult with a tax advisor regarding the tax implications of expense reimbursement.**

DEADLINES

Missed deadlines may result in project disqualification, loss of place in queue and/or loss of reimbursement.

Snowbate applications should be received by MN Film and TV no earlier than 90 days BEFORE MINNESOTA PRINCIPAL PHOTOGRAPHY BEGINS. Post Production Only should submit application no earlier than 90 days before the start of post production. Projects spending \$1M or more may apply up to six months before production begins.

SERs or expenditure review by a CPA with all supporting documentation should be received on the following schedule:

- SERs should be received not more than 90 days from project completion. SER due dates are noted in certification letter. Deadline extensions will be considered on a case-by-case basis.
- If additional documentation is required or there are questions on the SER, production companies will have 10 business days to respond with the requested information. After that time, the questioned items will be deleted from the submission.

ALL SNOWBATE APPLICATION AND EXPENDITURE MATERIALS ARE SUBJECT TO PUBLIC DISCLOSURE. (MN STATUTES CHAPTER 13)

ATTACHMENTS CHECKLIST:

Forms available at <http://www.mnfilmtv.org/incentives/snowbate/>

ALL PRODUCTIONS

- Entity Application (if first time applicant or if information changes)
- Certificate of Good Standing or state equivalent-available from the Office of the Secretary of State (MN Film and TV reserves the right to request an updated entity form or Certificate of Good Standing at any time)
- IRS W9 Form
- Project Certification Form
- Project Certification Affidavit/Notarized stating project meets eligibility requirements for Snowbate reimbursement
- Budget – Denote MN expenses
- Script, storyboard, synopsis or treatment

FEATURE FILM (40 minute minimum per Academy of Motion Picture Arts and Sciences)

- Proof of funding (signed bank letter, completion bond or equivalent stating 50% of total budget is available in verified funds)
- The required items listed in “all productions”

DOCUMENTARY

- Proof of funding (signed bank letter, completion bond or equivalent stating 50% of total budget is available in verified funds)
- The required items listed in “all productions”

MUSIC VIDEOS

- Proof of funding (signed bank letter, completion bond or equivalent stating 50% of total budget is available in verified funds)
- The required items listed in “all productions”

NATIONAL TELEVISION: PROGRAM, SERIES or EPISODE (New or relocating only)

- Production, development or syndication contract from commissioning broadcast or online network
- The required items listed in “all productions”

TELEVISION: PILOT (must be intended for national exhibition and reasonable commercial exploitation)

- Proof of funding (signed bank letter, completion bond or equivalent stating 50% of total budget is available in verified funds)
- The required items listed in “all productions”

TV COMMERCIALS

- The required items listed in “all productions”
- Agency and advertiser (client) contact name and email

INTERNET

- Must be linear, non-interactive works presented under one creative treatment and fit into one of the above categories and those rules apply. Branded content is not eligible

POST PRODUCTION (Must fit into one of the above categories)

- The required items listed in “all productions”
- Agency and advertiser (client) contact name and email

SNOWBATE TERMS AND CONDITIONS

These Terms and Conditions (“Terms”) constitute a legally binding agreement between the Production Company (“you” or “your”) and Minnesota Film and Television (“MN Film and TV,” “we” or “us”).

NO GUARANTEE OF REIMBURSEMENT

Submission of an application or other materials for entity and/or project certification does not, in any way, guarantee or ensure certification or approval by us. Furthermore, even if an entity or project is certified, there is no guarantee that you will receive a reimbursement or that reimbursement funds will be available.

APPLICATION PERIOD

In order to be considered for reimbursement, expenditures must be incurred no earlier than project certification date. All forms and applications should be submitted as described in the Snowbate Production Incentive Program Guidelines.

LIMITATION OF LIABILITY

In no event shall MN Film and TV, its officers, directors or employees or agents be liable for lost profits or any damages of any kind, including, but not limited to, direct, indirect, special, incidental, consequential or punitive damages, arising out of or in connection with the reimbursement application, certification, or award process however arising, including negligence.

REPRESENTATIONS AND WARRANTIES OF PRODUCTION COMPANY

By signing and submitting an entity, project, or specific expense certification application, you represent and warrant: (1) that all information provided in or with your application is true, accurate and complete and no material information has been omitted, and that any subsequent statements will be true and accurate; (2) that you will provide MN Film and TV with prompt written notice if any past statement is no longer true and accurate; (3) that you have the authority to bind the entity on whose behalf you are signing; and (4) that the project for which you are seeking certification is a qualifying, bona fide feature film, national television or Internet program, documentary, music video or commercial.

REQUIRED DISCLOSURES

On a separate piece of paper, the Production Company or any of the principals or owners of the Production Company owning more than 2% ownership interest (the “**Subject Parties**”) must disclose details of their involvement in: a) Any and all filings for bankruptcy protection or protection from creditors within the past five (5) years; b) Any and all litigation within the past five (5) years, pending and threatened litigation involving a Subject Party that has or might result in monetary judgment or monetary settlement against the Subject Party or a claim of any nature against the Project; and/or c) Any and all charges, convictions or pleas of nolo contendere (no contest) for any crime, including but not limited to any crime involving obscenity, indecency, or similar misdemeanor or felony laws involving the participation of or victimization of a minor.

Upon MN Film and TV’s review of the information provided MN Film and TV may determine in its discretion the applicant is not eligible for Snowbate funds.

INDEMNIFICATION

You agree to indemnify, defend and hold MN Film and TV harmless from and against any and all costs, liabilities, losses and expenses (including, but not limited to, reasonable attorneys’ fees) resulting from any claim, suit, action or proceeding brought by any third party against MN Film and TV alleging or arising from false statements or information provided by you or any breach of these Terms by you. You are aware that the submission of any false information or omission of any pertinent information resulting in the false representation of a material fact may subject you to civil and/or criminal penalties, and you agree in the event of a material breach of this agreement to immediately repay any and all reimbursements you have received.

CONFIDENTIALITY WAIVER

You understand and agree that all information and materials submitted to MN Film and TV are non-confidential and may be disclosed to third parties by MN Film and TV and may become public. You hereby waive and release MN Film and TV from any claim or obligation relating to the confidentiality or alleged trade secret nature of any materials or information you submit to MN Film and TV. All Snowbate information is subject to public disclosure per MN Statutes Chapter 13.

RIGHT TO REFUSE

The MN Film and TV Snowbate application process does not guarantee acceptance for the applicant(s). MN Film and TV, along with its reviewing committee, reserve the right to refuse any project’s application for any reason whatsoever. Such determination is solely at the discretion of the reviewing committee.

RETURN OF INFORMATION

You understand and agree that your application and all materials and information submitted with it shall become the property of MN Film and TV and will not be returned to you.

GOVERNING LAW

The laws of the State of Minnesota govern these Terms and any dispute you may have with MN Film and TV, without reference to its choice-of-law principles. You agree that the only proper jurisdiction and venue for any dispute with MN Film and TV is in the State of Minnesota, U.S.A. You further agree and consent to the exercise of personal jurisdiction in these courts in connection with any dispute involving MN Film and TV or its officers, directors or employees. If any provision of these Terms are determined to be invalid under any applicable statute or rule of law, such provision or clause is to that extent to be deemed omitted, and the balance of the Terms shall remain enforceable.

SEVERABILITY

If any provision of these Terms is held to be invalid or unenforceable, such provision shall be struck and the remaining provisions shall be enforced. MN Film and TV’s failure to act with respect to any failure by you or others to comply with these Terms does not waive MN Film and TV’s right to act with respect to similar or subsequent failures.

CHANGES

We may change these Terms and/or the eligibility criteria for entity and project certification at any time. Changes will be posted on MN Film and TV’s website www.mnfilmtv.org.