

# BULGARIA



НАЦИОНАЛЕН ФИЛМОВ ЦЕНТЪР  
BULGARIAN NATIONAL FILM CENTER

**25%**

**CASH REBATE  
IS WAITING  
FOR YOU**



# 25% CASH REBATE

## Film Incentive Scheme in Bulgaria

Rebate on costs incurred in film production, including series, takes place under a state aid scheme and is governed by the Film Industry Act and the Implementing Regulation of this Act in compliance with Commission Regulation (EU) No 651/2014. The scheme is administered by the Bulgarian National Film Center.

## Eligible categories of films (required formats)

- A feature film, running time over 70 min with total amount of the cost incurred in Bulgaria not less than 100 000 BGN;
- A documentary film, running time over 60 min. or a documentary series where the running time of each episode shall be no less than 40 min with total amount of the cost incurred in Bulgaria not less than 50 000 BGN;
- An animated film or animated series, total running time over 24 min with total amount of the cost incurred in Bulgaria not less than 40 000 BGN;
- A film intended for TV broadcasting or streaming on platforms, running time over 70 min., or a series where the running time of each episode shall be no less than 40 min. with total amount of the cost incurred in Bulgaria not less than 50 000 BGN.

## Submission Deadlines

Applications shall be submitted throughout the year and shall be considered in the order of their submission. The sessions of the National Film Projects Evaluation Commission on Rebate on Costs shall be held at least once a month.

## Eligible Film Projects

- Eligible shall be film projects that, as follows:
- Meet the cultural criteria, included in the cultural test;
- Made entirely or partly in the Republic of Bulgaria;
- Are intended for public release and/or broadcasting.

## Ineligible Film Projects

Ineligible shall be film projects that, as follows:

- Reflect adversely on the Republic of Bulgaria or the Bulgarian nation; film projects undermining the legal norms and the constitutional principles of the Republic of Bulgaria and such projects that seek to incite wars, racism, radical nationalism, religious hatred or national separatism or encourage acts of discrimination;
- Contain pornographic elements and/or language; infringe upon or violate the rights of dignity, honour, privacy; incite, directly or implicitly, aggression; propagandistic works of electoral, political or religious nature;
- Sports events, games or competitions;
- Talk shows, reality shows, programmes of 'lifestyle' or 'watch live' categories;
- Daytime drama TV show, sitcom series categories;
- Programmes demonstrating hobbies or projects;
- Promotional and/or commercial works regardless of the running time, format or their use;
- Footage for internal use unavailable to wider audiences.

## Eligible Applicants

- A producer or a co-producer that has acquired the rights to the screenplay of the work;
- A provider of film production services that has concluded a contract with a Producer, who has acquired the rights to the screenplay of the work for the purposes of the production of the said work.

## The applicant shall:

- Be registered as a legal person operating in the field of filmmaking under the current Bulgarian law or the law of a EU member state, or of a country party to the Agreement on the European Economic Area or of the Swiss Confederation or under the law of a third country, in which case the registration shall be made two years prior to the application date;
- Make the work in the required format;
- Be entered in the Unified Public Register kept by the NFC EA;
- In a five-year period prior to application date, the applicant shall have made, completely or partially, at least one work in the required format that has had a theatrical release, or has been broadcasted on TV and/or has been available on a platform for catalogued works accessible to subscribers, or has been screened at one international festival at the least;
- In the event of not meeting the requirements set out in p. 4, the applicant should be alternatively:
  - the founder or a legal representative of a legal entity that meets the above mentioned criteria or

- a decade prior to applying under the Film Incentive scheme, the chief executive or manager should have made and/or participated in the production of at least one work in the required format;
- Unregistered applicants, including with a branch under the Bulgarian law, shall register prior to the date of receiving the state aid;
- In the event of a coproduction, the applicant may be the co-producer registered under the Bulgarian law for the purposes of the production of the work;
- In the event of a production, where no co-producer is registered under the Bulgarian law or the law of a member state of the European Union, a party to the EEA Agreement or the Swiss Confederation, eligible to apply under the scheme shall be a foreign producer through a provider of film production services, registered under the Bulgarian law, whereby the latter shall be the Incentive-eligible applicant;
- Eligible applicants under the scheme shall be solely a producer, co-producer or a provider of film production services that meet the criteria for an independent producer.

## Rebate Amount

- Up to 25 per cent of the total amount of the eligible costs incurred in the production of a work in the required format relating to goods and services provided within the Republic of Bulgaria by natural and/or legal persons registered under the Bulgarian law;
  - Up to 25 per cent of the total amount of the eligible costs incurred in the production of a work in the required format relating to services provided in the Republic of Bulgaria by natural persons registered under the law of a member state of the European Union, a party to the EEA Agreement or of the Swiss Confederation, whose income generated from a source in the Republic of Bulgaria is subjected to final tax under the Bulgarian law;
  - The eligible costs, on the basis of which the amount is calculated, shall Not exceed 80 per cent of the overall production budget;
  - Rebated shall be only cost incurred entirely in the Republic of Bulgaria;
- The amount of rebate per project shall not exceed BGN 2,000,000 (approx. 1 000 000 EUR).

## Eligible Costs

Qualifying for eligible expenditure in the budget of the applying project shall be all expenditure on goods and services provided within the Republic of Bulgaria and directly relating to the pre-production, production and post-production of the project.

Eligible and ineligible costs, the rules governing the calculation of eligible expenditure and the types of eligible expenditure are laid down in detail in Addendum No. 16c, Art. 60a (1) of the Implementing Regulation of FIA.



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- the applicant is registered under the Bulgarian law;
- there are enough funds in the budget accounts of the Agency.

In case the annual budget is exhausted, the payments are provided within the next year.

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## **NB**

*State aid may be granted for an activity that has begun after the day of the application (Annex No 5b) submission and prior to the conclusion of the contract. No changes are allowed in the type of expenses admissible according to the list submitted with Annex No. 16a compared to the list of expenses submitted with Annex No. 5b. Increase in the amount of state aid and its intensity above the maximum allowable amount is not allowed.*

*All documents in a foreign language enclosed with the application shall be translated into Bulgarian and certified by a sworn translator.*

## **DISCLAIMER**

*Please, be aware this document contents only basic information about the state aid scheme. Each candidate should comply with the specifics of their project and their legal status. BNFC advises all the applicants to research thoroughly the legal terms of the state aid scheme before submitting an application.*



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