



So You Want to Produce in Canada, eh?

Goodmans^{LLP}

An Introduction to Producing in Canada and Doing Business with Canadians | August 2026

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Let's get this show on the road... to Canada!

If you are considering producing in Canada, there's a lot you not only need to know, but want to know. Why? Because it can save you both time and money – and who doesn't want that?

The discussion in this guide is confined to the laws of Canada as of August 2026. Tax credit rules and government incentives are subject to constant change. It is therefore advisable to check the applicable websites for the latest information.

This guide is intended to provide general information and should not be relied upon as legal advice. We encourage you to consult us directly with specific issues or questions. Please refer to the last page of this document for contact information.

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Who you gonna call? Goodmans!

Goodmans is recognized worldwide as one of Canada's leading full-service law firms offering expertise in entertainment, mergers and acquisitions, corporate finance, securities, banking and finance, private equity, tax planning, restructurings, litigation and commercial real estate. Our lawyers are consistently recognized by leading industry arbiters, and in various client and peer review surveys.

Most relevant to you, Goodmans is Canada's leading entertainment law firm. We have lawyers exclusively practicing entertainment law, specializing in film and television and digital media. By blending this expertise with the regulatory work of our communications practice group who deal with the Canadian Radio-television and Telecommunications Commission (CRTC), we distinguish ourselves from other Canadian law firms with comparable practice areas.

We represent a large cross-section of major American, Canadian and European film, television, digital media and publishing companies, and many individual directors, authors and screenwriters, actors and film and television personalities.

We advise our foreign clients producing in Canada on:

- Canadian tax and legal issues such as film tax credits and Canadian withholding tax
- preparing talent contracts
- dealing with Canadian guilds and unions
- Canadian foreign investment rules and domestic regulatory requirements

For our Canadian clients, we also assist with:

- government funding applications
- negotiating international co-productions and CRTC co-ventures
- arranging Canadian content tax credit applications
- sales to distributors and broadcasters in Canada, and abroad

Goodmans Entertainment Group is ranked Band 1 by *Chambers Canada*, with all team members recognized!

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The Canadian Film and Television Industry

The Canadian film and television industry experienced an increase in production volume in the 2024/2025 fiscal year, rising by 4.6%. This growth was largely driven by a 9.5% rebound in Foreign Location and Service (FLS) productions in Canada, mostly by American producers, following the resolution of the U.S. entertainment industry strikes in 2023. The film and television sector generated nearly \$12 billion in GDP and **sustains** almost 181,360 high-quality jobs, continuing to serve as a major source of economic activity across Canada.

At the same time as the domestic industry's growth, Canada has become a key location for internationally originated productions. Hollywood studios, European film companies, U.S. television networks and cable services have come to Canada to film their productions, attracted by stable and lucrative Canadian film incentives and first-class Canadian casts and crews, locations and facilities.

Major U.S. film studios (e.g. Warner Bros., Paramount, Walt Disney, Fox and NBC Universal), leading U.S. television studios (e.g. ABC, NBC and CBS), American cable services (e.g. Showtime, Discovery, Disney and HBO), leading global streaming services (e.g. Netflix, Amazon Prime Video, Disney+, Paramount+ and Apple TV+) and film companies (e.g. Lionsgate and Media Rights Capital) all have a strong presence in Canada.

European producers such as BBC Worldwide, Endemol, Working Title, Atlantique, Lagardère and Universal International have also taken advantage of Canada's numerous international film and television co-production treaties to access Canadian benefits.



A report from PwC "[*Perspectives from the Global Entertainment & Media Outlook 2026–2030*](#)" said that while the overall revenue of the global entertainment and media industry rose by 5.3% in 2025, reaching US \$3.5 billion, the market will continue to grow at a more modest compounded annual rate of 3.5%. The report predicts the industry revenues to reach US \$4.2 trillion in 2030



So, why Canada?

There are a number of factors accounting for the growing interest in Canadian production.

We're close!

Toronto's a short flight from NYC, and Vancouver's just up the coast from LA. Plus, Canadians love U.S. content (after all, we share many of the same values and interests), which is readily accessible and widely disseminated here.

We're affordable!

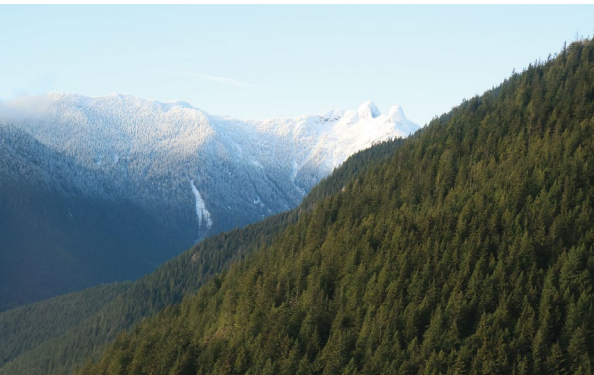
Production costs in Canada are generally lower than in the U.S. and other countries, and lower guild and union minimums encourage foreign production in Canada.

Canadians are cool (really).

We have Hollywood's favourite Ryans (Gosling and Reynolds, of course). Ever heard of Rachel McAdams, Ryan Gosling or James Cameron? They're all Canadian. Some of the funniest comedians on the big screen also call Canada home. From Seth Rogen and Michael Cera to comedy legends such as Eugene Levy, Jim Carrey, Catherine Reitman, Martin Short and Mike Myers - Canadians are known for their sense of humour. In addition to acting talent, Canada also boasts a large number of highly trained and professional crews, technicians and production personnel. It doesn't hurt that Canadian trade unions are often more flexible and insist on less onerous requirements than their non-Canadian counterparts.

We have more than just "a great personality," we look good too.

With its wide-ranging, diverse, and interesting topography and small population, Canada is ideally suited for location shooting. Toronto often doubles for cities like NYC, Chicago and Philadelphia, owing to its wealth of diverse locations. From urban settings which pass off as their American counterparts, to those rugged landscapes where Leonardo DiCaprio won his Oscar in *The Revenant*, Canada's landscape has a variety of multifaceted locations and four distinct seasons just waiting to become what you need them to be. Plus, many Canadian cities and several provinces offer free (free!) location assistance to film and television producers.



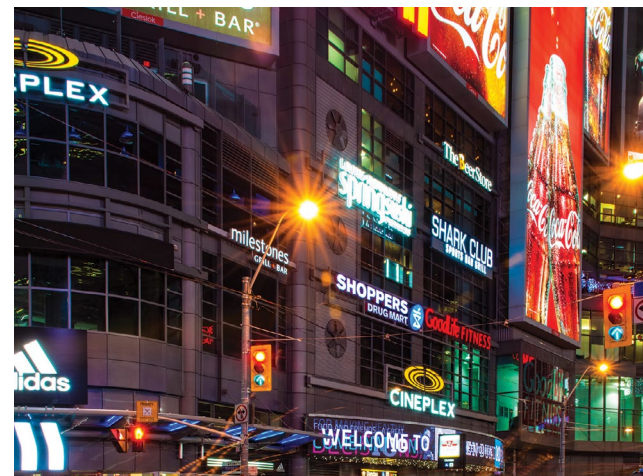
“But aren’t all the best studios in LA?”

No! Studio facilities and post-production laboratories in Toronto, Montreal and Vancouver rival those in Hollywood. In fact, Canada is now home to one of the largest purpose built film studios in all of North America: Lake City Studios. Located in Vancouver, this massive 1.3 million sq. ft. production complex represents a \$350 million investment and stands as the largest privately funded development in British Columbia. This facility features 21 state-of-the-art sound stages, 150,000 sq. ft. of production office space and extensive support areas for wardrobe, props, set decoration and construction bays. Similarly, Pinewood Toronto Studios (Pinewood), located near the Toronto waterfront (just minutes from downtown), has one of the world’s largest custom-built sound stages, designed to attract large-budget Hollywood productions requiring large-scale studio space and is the largest purpose-built studio in North America. Recent productions such as “Frankenstein”, “Star Trek: Discovery”, “A Simple Favor”, “Molly’s Game”, “IT: Chapter Two” and “Fubar” were filmed at Pinewood Toronto Studios.

Pinewood has now completed its major expansion to help meet the growing demands of domestic and international film and television clients in Toronto, adding five new soundstages. It is now the largest film and television studio in Ontario with 520,000 sq. ft of production space and 16 purpose built soundstages.

Canada’s Government Supports the Industry.

The federal government, in addition to each of the provincial governments, provides generous financial support to qualifying Canadian productions. For example, the Canada Media Fund (CMF) committed approximately \$362.6 million in funding to support Canada’s television and digital media industry in the new fiscal year beginning April 1, 2026, and that’s just the tip of the iceberg (and we have lots of icebergs up here).



Let's Talk Money

Playing by the rules can really “pay” off...

They say money makes the world go round. When the globe stops spinning, here's why you want your pin dropped in Canada: the incentives are high and the thresholds are low, making Canada one of the most production-friendly places in the world.

The non-Canadian who wants to benefit indirectly from the Canadian government and private sector financing must become familiar with the maze of rules regarding Canadian financial assistance and tax benefits. Non-Canadians can reap the benefits of Canadian financing, provided they understand and adhere to the rules of the game. That's where we come in!

Canada has film, television, and digital media tax incentives at both the federal level and in most provinces and territories. Some of these tax credits, often called “production services” tax credits, are designed to promote and encourage foreign production in Canada and thereby develop and grow Canadian production service industries. Other credits, colloquially called “Canadian content” tax credits, are only available to Canadian-controlled corporations which produce productions with prescribed Canadian elements, and which meet prescribed Canadian spend tests. The eligibility requirements for “production services” tax credits are generally far less stringent than those associated with the “Canadian content” credits, and that's great news for you. Plus, even though “Canadian-content” credits are only available to Canadian-controlled productions, you may want to license or distribute those too. Canadian financial assistance to film and television productions normally falls into one of four broad financing structures.



Main Financing Structures in Canada

Listed below are the three primary financing structures used to produce films, television shows and other productions in Canada. Each structure provides access to various incentives including Canadian content and production services tax credits and direct government assistance. Production companies may also benefit from higher broadcast license fees paid by broadcasters for productions meeting content rules established by the CRTC.

Canadian Content Productions

Canadian content productions are eligible for Canadian-content tax credits, CRTC certification and direct government support via the Canada Media Fund and private assistance. Such productions must be developed, produced, and owned (or in the case of the CRTC, owned or co-owned) by Canadian producers.

Incentives and Benefits Available:

- Canadian-content tax credits (read more about this in the next section)
- Canadian broadcast sale
- Canadian government and broadcast fund assistance (e.g., Canada Media Fund, Bell, Telefilm Canada, Bell and Rogers Funds)

Examples of Canadian owned productions include: “Heated Rivalry”, “Schitt’s Creek”, “Law & Order Toronto: Criminal Intent”, “Allegiance”, “Skymed”, “Kim’s Convenience”, “Murdoch Mysteries”, “Letterkenny”, “Paw Patrol” and “Baroness Von Sketch Show”.



International Treaty Co-Productions

Canada has audiovisual co-production treaties and memoranda of understanding (MOUs) with nearly 60 countries.

Co-production treaties assist Canadian producers and their foreign counterparts in collaborating and pooling financial and creative resources on a given production. Telefilm Canada reports that every year co-production in Canada represents:

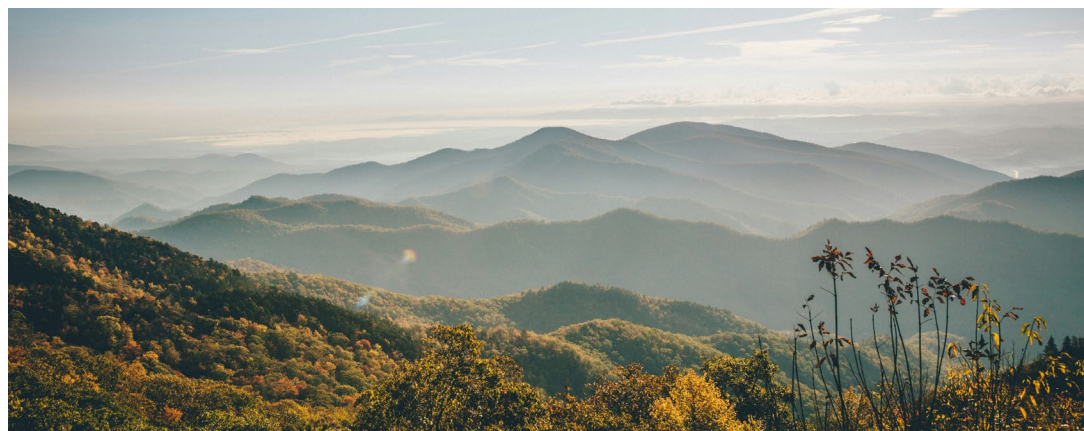
- more than 60 official treaty co-productions
- a production volume of \$500 million

Incentives and Benefits

A production made in accordance with an international co-production treaty and certified by the Co-Productions Office of Telefilm Canada gains “official treaty co-production” status. As an official treaty co-production, the production is treated as a “national production” of each co-producing country making it eligible for government incentives and tax benefits in each of the co-producer’s respective countries.

These incentives and benefits include eligibility for government financial support from Telefilm Canada and the Canada Media Fund, access to federal and provincial Canadian content tax credits and qualification for the “Canadian content” designation established by the CRTC.

Also, despite not being directly eligible, U.S. companies can take indirect advantage of these benefits as distributors or broadcasters.



Requirements:

The following eligibility criteria must be met, subject to the provisions of each treaty:

- the non-Canadian producer must be located in a treaty country
- the Canadian producer must be Canadian-owned and controlled
- creative and technical personnel must meet residency/citizenship requirements of treaty countries
- there may be limited participation by personnel from third-party countries as permitted by the respective treaty
- the minimum financing contribution varies from 15% to 30% of the total production costs, depending on the treaty
- proportionality between financial, creative, and technical contributions and levels of expenditure
- copyright in production must be owned by co-producers in proportion to their financial contributions
- a U.S. broadcaster/distributor may broadcast/distribute the production outside of the co-producers' territories
- production of the project must be carried out in the co-producing countries

Examples of co-productions include: "Malory Towers", "Crimes of the Future", "Geek Girl", "Love on the Right Course", "Tom Sawyer", "Falling", "The Death and Life of John F. Donovan", "Amazon Adventure" and "Vikings".



Foreign-Controlled “Service Productions”

These productions are foreign controlled but qualify for production services tax credits based on the cost of qualifying Canadian labour costs and subject to the tests below.

To qualify for the production service tax credits, they must meet certain prescribed minimum production tests: the cost for a production for the period ending 24 months after principal photography has begun must exceed \$1,000,000, except in the case of a series consisting of two or more episodes or a pilot of such a series; the cost for each episode in a series with a running time of less than 30 minutes must exceed \$100,000 per episode; and the cost for episodes with running time of more than 30 minutes must exceed \$200,000 per episode. As well, the production company must either own the copyright in the film during the production period or be engaged directly by the copyright holder to provide production services.

Source: [Film or Video Production Services Tax Credit](#)

Examples of foreign controlled service productions include: “The Last of Us”, “The Boys”, “The Handmaid’s Tale”, “Deadpool”, “Designated Survivor”, “The Flash”, “Lucifer”, “Star Trek Discovery”, “Supergirl”, “Vikings”, “Timeless”, “Suits”, “The Man in the High Castle” and “A Series of Unfortunate Events”.

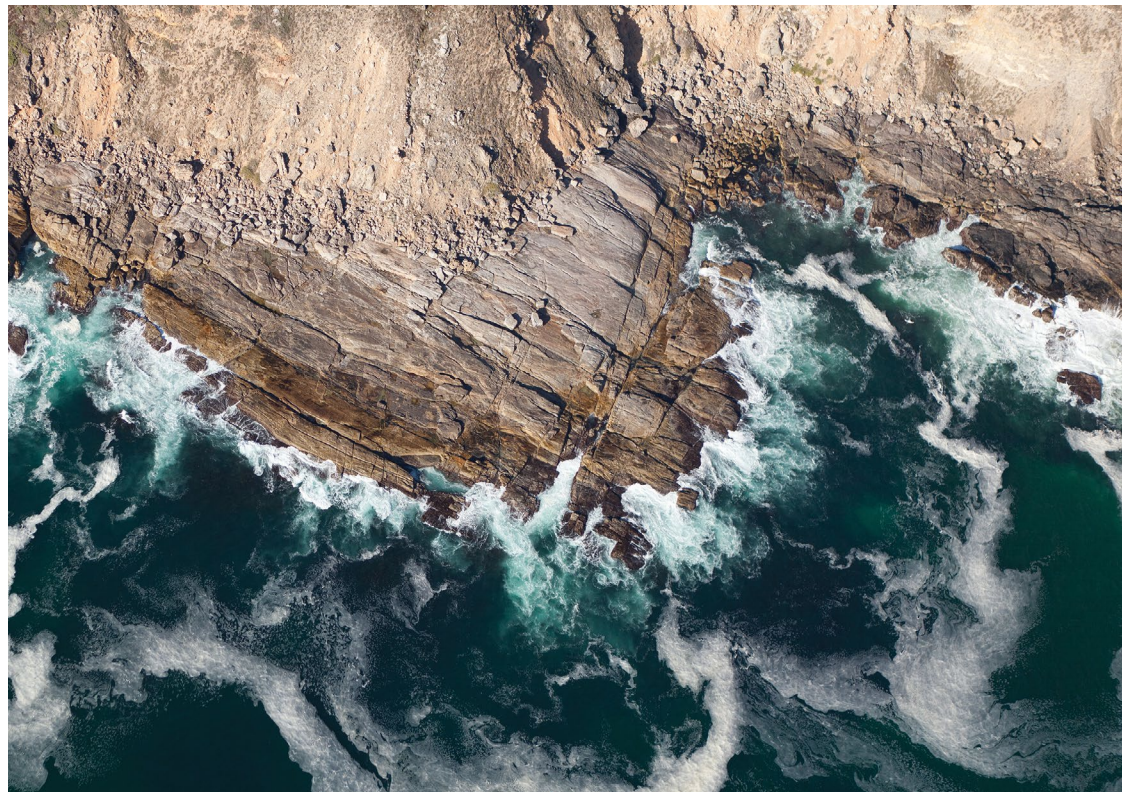


Canadian Tax Credits and Other Incentives

Funding – Tax Credits

As discussed, Canada's federal government offers attractive film tax credits to aid the Canadian film and television production industry and to promote Canadian film and television programming. They are typically administered jointly by Canada Revenue Agency (CRA) and the Canadian Audio-Visual Certification Office (CAVCO).

Most Canadian provincial and territorial governments have introduced similar or additional incentives to the federal tax credits. In most cases, these tax credits are more generous than and directly supplement the federal incentives.





The Canadian Film or Video Production Tax Credit

What is the benefit?

The CPTC is a federal refundable tax credit available to qualified corporations (see “Who is eligible?” below). The CPTC is equal to 25% of qualifying Canadian labour expenditures capped at 60% of production costs net of assistance, providing up to a maximum of 15% (25% of 60%) of the total production costs. Qualifying labour expenditures can include eligible salaries, wages and other remuneration paid or payable for services rendered in connection with the production of a Canadian film or video production and reimbursements by a wholly-owned corporation to its parent. Such qualifying expenditures are net of any assistance which the producer receives from any Canadian federal or provincial film agency, provincial tax credit program or other grants, subsidies and similar benefit as described below.

Rate

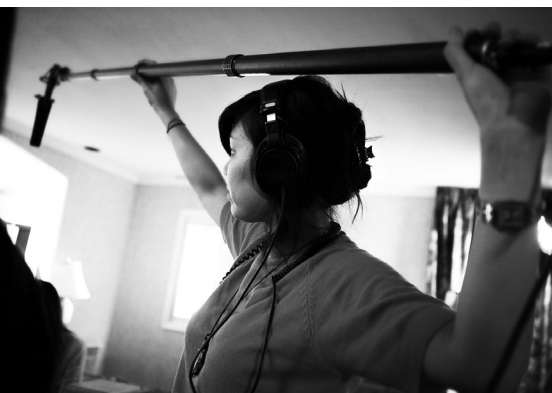
25% of qualifying Canadian labour expenditures, and those qualifying labour expenditures cannot exceed 60% of production costs net of assistance.

The CPTC is capped at a maximum 15% of total production costs after the deduction of any assistance. Assistance refers to any financial assistance from public or private Canadian or foreign sources, (e.g., grants, subsidies, provincial tax credits, forgivable loans, services and any other similar forms of assistance). Production costs are limited to the amounts incurred in respect of the production. Where a production is a treaty co-production, eligible production costs include only those incurred by the Canadian co-producer.

Who is eligible?

The production company must:

- be a Canadian-owned and controlled corporation, taxable in Canada, whose primary activity is the production of Canadian films or television programs
- be the exclusive worldwide copyright owner in the production for at least 25 years after production completion
- retain an acceptable share of revenues (generally, no less than 25%) from exploitation in non-Canadian markets
- control the initial worldwide exploitation rights over the production



Which productions are eligible?¹

To be eligible for the CPTC, the production must meet all of the following requirements:

- an application for the project must be sent to CAVCO within 24 months of the first fiscal year end following the commencement of principal photography. CAVCO must issue a Part B certificate within 6 months of this date
- the production cannot fall under any of the excluded genre categories (e.g. pornography, corporate video, talk show, sports event, etc.)
- the production must be a linear, non-interactive film or video production
- a production must meet CAVCO's minimum 6 out of 10 Canadian "points requirements"
- all producer-related personnel (other than those receiving exemptions permitted in limited circumstances) must be Canadian²
- at least 75% of the production costs must be paid to Canadians, and at least 75% of the post-production costs must be incurred in Canada
- a Canadian distributor or a CRTC-licensed broadcaster must agree in writing to show the production in Canada within 2 years of its completion
- a Canadian distributor can enter into an agreement with an "Acceptable Online Service" (i.e., as determined by CAVCO) to have the production shown in Canada in lieu of a licensed Canadian broadcaster
- the production cannot be distributed in Canada by a non-Canadian entity within 2 years of completion

For more information, please visit [Canadian Film or Video Production Tax Credit](#) or contact any of our lawyers listed on the last page of this guide.

¹ Many of these requirements do not apply to treaty co-productions. Refer to Telefilm Canada Guidelines.

² A Canadian is defined as a Canadian Citizen, permanent resident, or corporation that is "Canadian-controlled" in law and in fact as determined under the Investment Canada Act.



Requirements to Qualify as a Canadian Production

The CAVCO Canadian Content Tax Credit Live Action and Continuous Action Animated Production Points Test

To be eligible for the CPTC, the production must earn a minimum of 6 points based on key personnel qualifying as "Canadian":

Director	2 points
Screenwriter	2 points
Highest Paid Actor/First Lead Performer	1 point
Second Highest Paid Actor/Second Lead Performer	1 point
Art Director/Production Designer	1 point
Director of Photography/ Chief Camera Operator	1 point
Music Composer	1 point
Picture Editor	1 point

In addition, the producer, either the director or the screenwriter, and either the highest paid or second highest paid actor must be Canadian.

For more information, please visit:

[Application guidelines - Canadian Film or Video Production Tax Credit \(CPTC\)](#) or contact any of our lawyers listed on the last page of this guide.

The CAVCO Canadian Content Tax Credit Animation Points Test

To be eligible for the CPTC, the production must earn a minimum of 6 points based on key personnel qualifying as "Canadian":

Director	1 point
Scriptwriter and Storyboard Supervisor	1 point
Highest or Second Highest Paid Lead Voice/Actor (mandatory)	1 point
Design Supervisor	1 point
Camera Operator and Operation	1 point
Music Composer	1 point
Picture Editor	1 point
Layout artist and Background (performed in Canada)	1 point
Key animation (performed in Canada) excluding pixilation (mandatory)	1 point
Assistant Animation and In-Betweening (performed in Canada)	1 point

In addition, the producer, either director or screenwriter and storyboard supervisor, and the first or second lead voice must be Canadian while key animation must be done in Canada.

Canadian Film or Video Production Services Tax Credit

What is the benefit?

The Canadian Film or Video Production Services Tax Credit (PSTC) is a refundable tax credit that primarily supports non-Canadian content film and television productions produced in Canada. The PSTC is designed to strengthen Canada's international reputation as a top location for film and video productions employing the services of Canadians. Both Canadian producers and foreign producers with a permanent establishment in Canada can qualify without having to meet the Canadian content criteria. The PSTC is not available where a production received the CPTC, but the PSTC can be claimed with complementary provincial tax credit programs (more details on which can be found below).

The PSTC is particularly attractive to U.S. and other international producers since the PSTC imposes no restrictions on their ability to own, control and exploit their productions around the world.

Rate

The PSTC is available at a rate of 16% of the qualified Canadian labour expenditure incurred by an eligible production corporation for services provided in Canada by Canadian residents or taxable Canadian corporations (for amounts paid to employees who are Canadian residents) for the production of the accredited production. Canadian labour expenditure for a production includes all amounts which are "Canadian labour expenditures" less assistance received (such as other provincial tax credits) for these expenditures.

There is no cap on the amount of the PSTC which can be received for a production.



Who is eligible?

To be eligible for the PSTC, the applicant must:

- be a corporation that carries on in Canada, primarily through a permanent establishment, a film production business or a production services business and must either:
 - own the copyright in the production throughout the period during which the production is produced in Canada or
 - be contracted directly by the owner of the copyright in the production to provide production services

Which productions are eligible?

To qualify for the PSTC, productions must meet minimum expenditure requirements of \$1 million for feature films, \$200,000 for a one-hour television episode or pilot or \$100,000 for a 30-minute television episode or pilot.

The following types of programs are not eligible for the PSTC or the CPTC:

- news programs
- talk shows, game shows, reality television
- a sports event or activity
- a gala presentation or an awards show
- productions that solicit funds
- advertising, industrial, corporate or institutional productions
- reality television
- pornography
- a production, other than a documentary, all or substantially all of which consists of stock footage

For more information, please visit [Film and video tax credits - CAVCO](#) or contact any of our lawyers listed on the last page of this guide.



Provincial

Several provincial governments in Canada also provide various forms of financial assistance to qualifying Canadian productions. Provincial funding is available either as a refundable tax credit or as a grant, depending on the province.

Grants and Incentives

Certain provinces offer grants or incentives to eligible productions. For detailed information on each jurisdiction's particular programs, including eligibility requirements, please visit their respective websites:

Alberta Media Fund	https://www.alberta.ca/alberta-media-fund.aspx
Film Incentive BC	www.creativebc.com/motion-picture-tax-credits/film-incentive-bc/
New Brunswick Film, Television and New Media Industry Program Production Incentive	www.gnb.ca
Northwest Territories Film Rebate Program	www.nwtfilm.com
Nova Scotia Film and Television Production Incentive Fund	cch.novascotia.ca
Nunavut Spend Incentive Rebate	www.nunavutfilm.ca
PEI Film Media Fund	www.princeedwardisland.ca
Saskatchewan Film and Television Development Grant	www.creativesask.ca
Saskatchewan Feature Film and Television Production Grant	www.creativesask.ca
Yukon Film Location Incentive	https://yukon.ca/en/filming-yukon





Provincial Tax Credits

Most provinces offer funding through refundable tax credits for qualifying productions, with rates ranging from 17.5-45% of eligible labour and, where permitted, non-labour costs. These provincial tax credits can be combined with the aforementioned federal tax credits, which results in an attractive advantage for productions looking to get the most bang for their buck.

The three largest Canadian provinces, British Columbia, Ontario and Quebec each have three separate refundable provincial film tax credits, namely:

- a “Canadian content” provincial film tax credit which is only available to productions which are eligible to access the CPTC and with certain additional provincial requirements
- a production services film tax credit which is available to both Canadian and non-Canadian controlled productions which also access the PSTC and
- a computer animation and special effects tax credit which can be combined with either of the aforementioned provincial credits and with either the CPTC or the PSTC

The “Canadian content” provincial tax credits are based on eligible provincial labour costs (35-40% in BC, depending on when principal photography began, 35% in Ontario and 28-40% in Quebec, depending on the production format). The provincial computer animation and special effects tax credits are also based on eligible provincial VFX costs (16% in BC and Quebec and 18% in Ontario). The production services tax credit in BC is based on eligible provincial labour costs (28-36%, depending on when principal photography began); however, the provincial production services tax credits in both Ontario and Quebec are based on eligible labour and non-labour costs (21.5% in Ontario and 25% in Quebec). The other Canadian provinces and territories generally have a single refundable film tax credit or, in some cases, a provincial or territorial grant in lieu of a film tax credit. The credits in these smaller provinces can be quite high (several are in the range of 40-45% of eligible costs). Most provincial film tax credits are based on eligible provincial labour costs, however, certain provinces (for example, Manitoba) give producers the option of accessing a higher credit (a 45% base rate, which can scale up to 65% with bonuses) based on provincial labour costs or a lower credit (a 30% base rate, scaling up to 38%) based on provincial labour and non-labour costs. Some provinces and territories, such as Nunavut, provide provincial grants rather than film tax credits.



For detailed information on each provincial or territorial jurisdiction's particular incentive programs, including eligibility requirements and the latest rates, please visit the respective websites below:

Alberta Film and Television Tax Credit	www.alberta.ca/film-television-tax-credit
British Columbia Interactive Digital Media Tax Credit	www.gov.bc.ca
British Columbia Production Services Tax Credit	www.gov.bc.ca
Manitoba Film and Video Production Tax Credit	www.gov.mb.ca
Manitoba Interactive Digital Media Tax Credit	www.mbfilmmusic.ca
Newfoundland and Labrador Film and Video Industry Tax Credit	www.gov.nl.ca
Ontario Computer Animation and Special Effects Tax Credit	www.ontariocreates.ca
Ontario Film and Television Tax Credit (formerly known as Ontario Media Corporation)	www.ontariocreates.ca
Ontario Interactive Digital Media Tax Credit	www.ontariocreates.ca
Quebec Film and Television Production Tax Credit	https://sodec.gouv.qc.ca/services/mesures-fiscales/
Quebec Production Services Tax Credit	https://sodec.gouv.qc.ca/services/mesures-fiscales/
Quebec Film Dubbing Tax Credit	https://sodec.gouv.qc.ca/services/mesures-fiscales/
Saskatchewan Film/TV and Digital Tax Credit	www.creativesask.ca



Canada Media Fund

The Canada Media Fund (CMF) is a not-for-profit funding agency, funded by Canada's cable, satellite and IPTV distributors, as well as by the Government of Canada. It finances the development and production of 10 out of 10 point "Canadian content" domestic television productions and international treaty co-productions as well as interactive digital media content.

The CMF delivers financial support to the Canadian television and digital media industries through two streams of funding:

- The Interactive Digital Media Programs (formerly the Experimental Stream) encourages the development of innovative, interactive digital media content and software applications
- The Linear Programs (formerly the Convergent Stream) supports the creation of convergent television and digital media content for consumption by Canadians anytime, anywhere

The majority of the CMF's funding is disbursed through the Broadcaster Envelope Program. The Program's objective is to encourage partnerships between broadcasters, television producers and digital media producers to create convergent content that Canadian audiences can consume on-demand. Through this Envelope Program, the CMF allocates funding envelopes to Canadian broadcasters in an amount that reflects their track record of supporting Canadian programming. Canadian broadcasters commit these funds to designated Canadian projects that they believe will appeal to their viewers. Even though Canadian broadcasters are allocated a CMF funding envelope, the actual CMF funding is paid directly to the producer according to a payment schedule.

The CMF program budget allocated \$362.6 million dollars for use in the 2026/27 fiscal year.

For more information on the CMF and its funding programs please see [Canadian Media Fund's website](#) or contact any of our lawyers listed on the last page of this guide.

Private Sector Assistance

Several private sector non-profit organizations have been established, primarily by Canadian broadcasters and specialty television services, which invest in the development and production of qualifying Canadian film and television projects. Examples include:



The Bell Fund	www.bellfund.ca
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The TELUS Fund	www.telusfund.ca
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Independent Production Fund	www.ipf.ca
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Rogers Group of Funds	www.rogersgroupoffunds.com
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Shaw Rocket Fund	www.rocketfund.ca
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Northern Ontario Heritage Fund	www.nohfc.ca
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Producing In Canada Without Canadian Financing

As a non-Canadian producer, you may simply wish to produce in Canada to save money or utilize Canadian talent, production services or locations.

In the case of such “straight” non-Canadian productions, it is not necessary for you, the non-Canadian producer, to master the details of “Canadian content” productions. However, you should bear in mind that a number of Canadian laws and regulatory policies apply to all non-Canadian productions in Canada, whether they are location-based service productions or “Canadian content” productions.

We have tremendous experience helping our international clients navigate the complexities of the *Investment Canada Act*, production services tax credits, extra-provincial licensing, immigration requirements and work permits, taxes (e.g., the Income Tax Act, GST, and HST) and more.



Copyright: Canada vs. U.S.



Copyright Term

In 2022, Canada's *Copyright Act* was amended to extend the term of copyright for literary, dramatic, musical and artistic works from 50 years to 70 years after the end of the author's death. This amendment came into force on December 30, 2022.

Copyright can be assigned or licensed either wholly or partially and subject to both temporal and geographic limitations.

Moral Rights

Under Canada's *Copyright Act*, in addition to economic rights, authors are granted extensive moral rights. These include the right to seek an injunction or sue for damages for any modification of their works or use of their works in association with a product, cause or institution that prejudices their honour or integrity. Moral rights may not be assigned, but may be waived by authors. This differs from the American model given that the U.S. only recognizes moral rights in the context of visual arts, while in Canada moral rights are conferred to all kinds of protected works.

Works Created During Employment

Unless an agreement states otherwise, works created during employment are owned by the employer. This principle is similar to the concept of "works made for hire" from the U.S., but it differs in the following ways:

- unlike the U.S. concept, the principle only applies to works created by employees and does not extend to works created by independent contractors commissioned to render services in respect of a film production
- the words "work made for hire" have no particular status under Canada's *Copyright Act*
- under Canada's *Copyright Act*, the employer owns the work but is not deemed to be the author, in contrast to the U.S. approach
- the term of copyright for all film productions created in Canada is generally the life of the author plus 70 year

“Fair Use” vs. “Fair Dealing”

Canadian and U.S. copyright laws differ somewhat with respect to the use of copyrighted materials without permission.

In the U.S., the defence of “fair use”, which allows for the use of copyrighted materials without permission from the copyright holder, is broad and open-ended with a non-exhaustive list of examples in the U.S. copyright statute.

In Canada, the similar yet distinct defence of “fair dealing” is much narrower and limits the use of copyrighted works without permission to certain specific statutory purposes: education, satire, parody, research, private study, criticism, review and news reporting. There is also a requirement to cite the source of the work and author in certain circumstances.

Online Streaming Act and Broadcasting Act

On April 27, 2023, the *Online Streaming Act* came into force in Canada. The Act amends the *Broadcasting Act* and grants new powers to the CRTC to regulate non-Canadian streamers which operate in Canada. Among other things, it gives the CRTC the power to: (i) decide which streaming services (e.g., Netflix, Amazon, Spotify) to regulate; (ii) determine their respective financial contributions; and (iii) regulate the discoverability of Canadian programs on streaming platforms. The Act also authorizes the CRTC to make orders re: such online services that will foster diversity, equity and inclusion, and ultimately help support the creation of Canadian content. It also allows the CRTC to issue monetary penalties for the violation of certain provisions of the *Broadcasting Act*.

On May 12, 2023, the CRTC announced several public consultations re: the implementation of the *Online Streaming Act*. In particular, in Broadcasting Notice of Consultation CRTC 2023-138 entitled “*The Path Forward – Working towards a modernized regulatory framework regarding contributions to support Canadian and Indigenous content*” the CRTC announced that it was seeking input from all stakeholders re: its new mandate to determine the contributions from different streamers to the Canadian system and it announced a related three-step public consultation process.





On June 4, 2024, the CRTC published a Regulatory Policy which required streaming services with more than \$25 million in annual Canadian revenues to begin contributing 5% of their Canadian revenues to prescribed Canadian and Indigenous content funds and initiatives (Broadcasting Regulatory Policy 2024-121). The Motion Picture Association – Canada, which represents Disney, Sony, Paramount, Universal, Warner Bros. Discovery and Netflix, as well as Apple, Amazon and Spotify, have since challenged the CRTC’s decision on base contributions in the Federal Court of Appeal. These hearings were held in June 2025, and the court has yet to release its ruling.

In November of 2025, the CRTC released a new and updated definition of a “Canadian program” (discussed below).

On May 21, 2026, the CRTC released its proposed final contribution framework (Broadcasting Regulatory Policies CRTC 2026-95 and 2026-96) which increased the 5% base contribution to 15% and introduced new rules regarding the “discoverability” of Canadian/Indigenous programming.

This framework also imposes additional requirements on larger broadcasters with more than \$100 million in annual Canadian broadcasting revenues, including minimum spending on French-language programming, partnerships with Canadian independent producers and support for Canadian news and services of exceptional performance (SEIs). According to the CRTC, these changes are expected to generate more than \$2 billion in funding for Canadian programming.

The CRTC also introduced a new discoverability framework through Regulatory Policy 2026-95, aimed at making Canadian and Indigenous content more visible across traditional and online broadcasting services. Rather than imposing immediate requirements, the framework establishes broad objectives and will be implemented using a four-stage approach: (i) establishing overarching discoverability objectives, requiring broadcasters to improve visibility, accessibility and measurable promotion of Canadian and Indigenous content, (ii) developing platform-specific commitments through future consultations, (iii) monitoring and reporting on compliance and (iv) conducting periodic reviews.

On June 3, 2026, following heavy pushback from the US government, the Canadian government issued an Order in Council directing the CRTC to review and reconsider its May 2026 Canadian programming expenditure decision through “...forthcoming policy/decisions”. It cited concerns over potential increased costs to Canadian consumers in accessing streaming services. Further details re: the new policy directions will follow after the Canadian government consults with industry stakeholders.

Other Recent Developments

The Growth of SVOD and OTT streaming services

SVOD (Subscription Video On Demand) streaming services have penetrated Canada's digital ecosystem as new global streaming services programs continue to emerge. Statista recently reported that almost 70% (three in four Canadians!) of Canadians are subscribed to some kind of online video service. Despite the recent introduction of US-based services such as Disney+ and Apple TV+, Netflix continues to be by far the most popular subscription OTT service in Canada, with 76% of Canadians viewing the service as of 2023.

A report released by Convergence Research found that Canadians spent an estimated \$3.73 billion on global streaming services in 2023. The report noted that Canadian global streaming services access revenue grew by 14% in 2023 and predicts that it will grow another 14% by 2024.

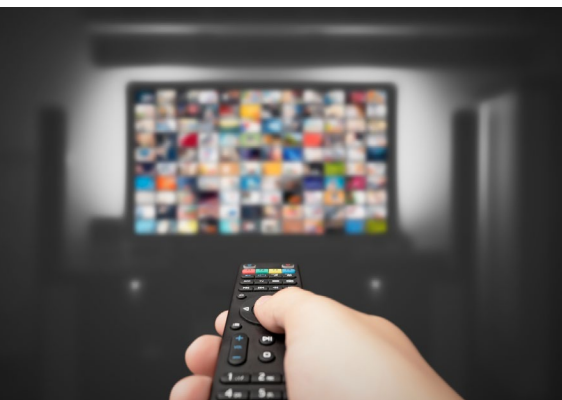
Taxation of Digital Services

In 2019, Quebec and Saskatchewan elected to pursue provincial sales tax on Netflix subscriptions. The province of Quebec cited e-commerce tax losses as the driving factor, whereas Saskatchewan amended their *Provincial Sales Tax Regulations* in order to collect tax from non-resident businesses, provided their services were consumed within the province. Federal tax laws in Canada now require foreign multinationals to collect GST/HST on digital products and services. As such, Netflix and other international streaming services are now charging GST/HST to their subscribers.

In addition, on December 14, 2021, the federal government released draft legislation which proposed a digital services tax (DST) of 3% on a taxpayer's Canadian source revenue relating to digital services.

The tax was to apply to both corporations and consolidated groups who have a Canadian source revenue of \$20 million and a global revenue of at least €750 million in each respective tax year.

Canada's *Digital Services Tax Act* was enacted on June 20, 2024, and came into effect on June 28, 2024. The new legislation imposed a DST of 3% on Canadian source digital service revenue exceeding CDN\$20 million. However, the DST became the subject of intense international friction, with the United States threatening severe trade tariffs against Canada. In response, the Canadian government halted the tax's collection and, following subsequent trade negotiations, formally abandoned this policy.





On March 26, 2026, *Bill C-15* officially received Royal Assent, formally and retroactively repealing the *Digital Services Tax Act* to its original enactment date of June 20, 2024. As a result, foreign digital service businesses no longer face this 3% tax burden in Canada. Consequently, the Canada Revenue Agency has halted all DST collection and filing requirements – issuing refunds with interest calculated from the date of receipt through to the date the refund is issued to customers who were charged before the repeal became law.

CRTC Releases New Definition of “Canadian program”

On November 18, 2025, the CRTC released Broadcasting Regulatory Policy CRTC 2025-299, introducing a modernized definition of a “Canadian program.” The Policy updates the certification framework by introducing new eligibility requirements, addressing issues such as artificial intelligence (AI), data collection and reporting, while leaving minimum Canadian Programming Expenditure (CPE) to future policy.

- The new definition maintains a points-based system that assesses Canadian participation in key creative roles and Canadian production spending, while expanding the range of eligible creative positions and introducing bonus points for certain Canadian elements, such as programs based on Canadian books. The charts on pages 31 and 32 illustrate the points-based system for Live Action Productions, and Animated Productions.
- The policy also clarifies that key creative roles used to qualify content as Canadian must be performed by individuals, rather than by AI.
- Additionally, it simplifies reporting requirements and introduces new collaboration requirements for foreign streaming services working with Canadian Producers.

A significant change is the introduction of Canadian copyright ownership as a factor for determining certification. The Policy establishes three categories of ownership: 100% Canadian ownership, majority Canadian ownership (more than 50%) and minority Canadian ownership (20-50%). Productions must have at least 20% Canadian copyright ownership and involve a Canadian producer to qualify. The required level of Canadian creative participation and the minimum percentage of available points required will vary depending on the ownership structure, with higher Canadian ownership resulting in more flexible certification requirements. The chart on the following page (page 30) illustrates the ownership categories and required Canadian participation for each.

Importantly, the updated definition applies only to the CRTC's certification process and does not change the requirements for other programs such as the Canadian Film or Video Production Tax Credit or the Canada Media Fund. As well, the CRTC cannot enforce the new definition until the final regulations are drafted and enacted into law (and until then, the existing CRTC Canadian programming certification rules remain in effect).



Model A 100% Canadian	Model B Majority Canadian	Model C Minority Canadian
<u>At least 60%</u> of possible points AND Director <u>OR</u> Screenwriter 1st Lead Performer <u>OR</u> 2nd Lead Performer		<u>At least 80%</u> of possible points AND Director <u>AND</u> Screenwriter 1st Lead Performer <u>OR</u> 2nd Lead Performer
100% of copyright held by CDNs	Non-CDNs can retain a minority position in copyright ownership <u>(must be less than 50%)</u>	Non-CDNs can retain a majority position in copyright ownership <u>(only up to 80%)</u>
<u>100%</u> of persons occupying producer-type roles must be CDN	At least <u>50%</u> of persons occupying producer-type roles must be CDN AND <u>Produced by CDN production company</u> <u>with no less than equal creative decision-making responsibility.</u>	

Source: [CMPA Town Hall Webinar, November 28, 2025](#)

Live Action Productions

Key creative positions and points (maximum number of points possible: 14) (Staffed by humans, not AI)	• Director – 2 points • Screenwriter – 2 points • *Showrunner – 2 points • First Lead Performer (or first voice) – 1 point • Second Lead Performer (or second voice) – 1 point • Director of Photography – 1 point • Production Designer or Art Director – 1 point • Picture Editor – 1 point • Music Composer – 1 point • *Head of Department Responsible for Costume Design, Head of Department Responsible for Make-up Artists, and Head of Department Responsible for Hair Artists – 1 point • *Visual Effects Director/Special Effects Director – 1 point	*Newly Added Positions / Points Other Notable Changes • Showrunner not mandatory; cannot be double counted (e.g. with writer / director) • Shared mandatory positions (Director / Screenwriters), must maintain 80% Canadian Bonus points Available to reach minimum threshold. Cannot substitute for mandatory positions. • Music: More than 50% of “needle drops” are Canadian (MAPL). Not a substitute for CDN Composer. • Source Material: adaptation of a pre-existing Canadian written work (novel, play, graphic novel, biography, poem). • Characters: identifiably Canadian, First Nations, Inuit, or Métis Also applies to hosts, subjects (doc) or presenters. • Story: The synopsis must explicitly center on these characters/subjects. • Setting: The narrative takes place entirely in Canada (identifiable by text, dialogue, or landmarks).
Key creative elements and bonus points (maximum number of points possible: 3)	• **Canadian musical selections – 1 point • *Canadian written works – 1 point • Canadian characters and settings – 1 point	

Source: CMPA Town Hall Webinar, November 28, 2025

Animated Productions

Key creative positions/ functions and points* (maximum number of points possible: 15)	• Director – 2 points • Scriptwriter and Storyboard Supervisor – 2 points • *Showrunner – 2 points • First Voice (or first lead performer) – 1 point • Second Voice (or second lead performer) – 1 point • Design Supervisor – 1 point • Layout Artist and Background – 1 point • Key Animation – 1 point • Assistant Animation/In-betweening – 1 point • Camera Operator or Virtual Camera Operator – 1 point • Music Composer – 1 point • Picture Editor – 1 point	**Newly Added Positions / Points *Adjusted Weighting of Points Other Notable Changes • Showrunner not mandatory; cannot be double counted (e.g. with writer / scriptwriter) • Location requirements Key Animation, Layout Artist and Background, and Assistant Animation/In-betweening, and Camera Operator must be performed and filled “by Canadians” rather than “in Canada” for each to be awarded 1 point. • Shared mandatory positions (Director / Scriptwriter), must maintain 80% Canadian Bonus points: as described above
Key creative elements and bonus points (maximum number of points possible: 3)	• *Canadian musical selections – 1 point • *Canadian written works – 1 point • *Canadian characters and settings – 1 point	

Source: [CMPA Town Hall Webinar, November 28, 2025](#)

How Goodmans Can Help



With approximately 200 lawyers and 9 lawyers practicing in our entertainment and media departments, we can work with your team to:

- explain the details of available alternative Canadian financing structures and explore whether your production qualifies and how Canadian incentives can be maximized
- advise re: the application of Canadian laws to your production including copyright, foreign investment, guild and tax requirements
- recommend changes to a project so that it meets applicable Canadian tax credit rules and incentive programs
- assist with interim financings and the cash flowing of your production
- provide counsel re: investments in Canadian-controlled companies in compliance with the *Investment Canada Act*

Goodmans represents a large cross-section of major North American and international film, television, digital media and publishing companies; and many individual directors, authors and screenwriters; actors and film and television personalities. Our foreign clients include Motion Picture Association-Canada, Amazon MGM Studios, Apple Studios, NBC Universal, AMC, Paramount Skydance, Warner Bros., NHL Enterprises, Universal International Studios, MGM+, Google, Netflix, Live Nation, Alcon, Topps, Fifth Season, Comcast, Black Bear Pictures, CBS, Original Productions, Showtime, Smithsonian Channel, The Walt Disney Company, Disney ABC Cable, Working Title, Discovery, Nickelodeon, VH1, DreamWorks, Cartoon Network, Classic Media, RH1, Spike TV, Scholastic, MTV Networks, Media Rights Capital, OneWest Bank, Union Bank, Comerica Bank, HSBC, CIT Financial, City National Bank, Providence Equity Partners, Shamrock Capital and New Bridge Film Capital.

Our domestic clients include Bell Media, WildBrain, Corus Entertainment, Rogers Media, Blink49 Studios, Bright North Studios, 9 Story Media, Cineplex, Insight Productions, Frantic Films, Shaftesbury, Nelson Education, EntertainmentOne, The Stratford Festival, Canadian Film Centre, The Historica-Dominion Institute, Urban Post, Boat Rocker Media, 90th Parallel, Export Development Canada, Rogers Telefund, Royal Bank, OMERS, CIBC, Independent Film Financing, Canadian Screenwriters Collection Society, Westwood Creative Artists and the Writers Guild of Canada. In the sports field, Goodmans represents Maple Leaf Sports and Entertainment (which owns the Toronto Maple Leafs, Toronto Raptors and Toronto FC), Insight Sports and the NHL Players Association among others.

For more information, visit [Goodmans Entertainment Group](#) or contact any of our lawyers listed on the last page of this guide.

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