

## PRODUCTIONS EXPENSES - ADMITTED AND EXCLUDED EXPENSES

The expenses that are admitted to apply for the Transferable Tax Credit are only those directly related to the development, preproduction, production and postproduction of films and/or audiovisuals. Decree 370-10 article 167.

### ADMITTED EXPENSES

- Expenses related to the development and preproduction.
- Expenses of construction and stage operations, purchase or rent of costumes, accessories, food, office supplies, transportation, equipment and related services.
- Expenses related to executive production.
- Payroll.
- Photography, sound synchronization, lighting and related expenses.
- Edition, graphics, visual effects, animation, music, and other related postproduction expenses.
- Expenses related to film processing, and format change.
- The rent of filming locations and related expenses.
- The rent of vehicles.
- The expenses related to catering and lodging for the cast and crew.
- Flights from and to the Dominican Republic, also domestic flights as long as they are purchased through an agency or airline, which is established in Dominican territory.
- Insurance, guarantees and bonds as long as they are contracted with companies registered in the Dominican Territory.
- Equipment and supplies freight costs from and to the Dominican Republic.
- Honorary fees of the accountant and legal teams that work with the production.
- Cast and Crew honorary fees.
- Other costs directly linked to production that are widely accepted within the film industry.

### EXCLUDED EXPENSES

- The honorary fee of the producer cannot exceed 6% of the total budget.
- the expenses made during the development stage cannot exceed 3% of the total budget.
- Expenses related to the marketing and distribution of the film.