

## Guidelines for Applications for Reimbursement Payment

The purpose of the **Reimbursement Act** is to support productions that promote Icelandic culture, introduce the country's history and nature, or enhance the experience, knowledge, and artistic ambition of those involved in the production.

Applicants are advised to familiarise themselves with [Act No. 43/1999](#) and [Regulation No. 450/2017](#) on film production reimbursements before applying for a **Letter of Intent**. The application must be submitted **before** the production begins in Iceland.

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### Application Process

The **application for reimbursement payment** must be submitted electronically through the **online [application portal](#)** available on the **Icelandic Film Centre's** website. Once the **reimbursement payment application** has been submitted, confirmation of receipt will be sent via **email**.

If additional documents are required before the application is processed, the applicant will receive an email notification.

A **committee appointed by the Minister** will review all applications to determine whether they meet the conditions set out in the **Act and Regulations**. The committee **meets every two weeks**, and all necessary application documents must be submitted **at least five business days** before the scheduled meeting.

The **reimbursement payment application** must be **based on the Letter of Intent previously issued** by the Reimbursement Committee, under the **same applicant's name and for the same project**. When applying for payment under an issued LOI, the portion of the project for which reimbursement is requested **must be completed**, and a **final financial statement must be available**. Special conditions apply when **applying for partial reimbursement**.

According to **Article 5 of the Reimbursement Act**, the reimbursement payment application must be submitted **within six months after the completion of the production**. The **completion of production** is considered **no later than the premiere**. In the case of a **series**, completion is defined as the **premiere of the last episode of a single season**.

**Applicants should be aware** that the **annual budget** for reimbursements **may be exhausted** at the time of application. In such cases, the Reimbursement Committee **has the authority to defer payment to the next fiscal year**.

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### Required Documents

#### Company Registration Certificate

A **certificate from the Company Register** confirming the **CEO and board members** of the company must be submitted. This document can be obtained **free of charge** from the [Icelandic Revenue and Customs Company Register website](#).

#### Production Report

A **brief report** detailing the progress of the production, the stages for which reimbursement is requested, the scope of each phase, the primary filming locations, the number of employees, and other relevant information must be submitted. This report must reflect the conditions stated in **Article 4(1) of the Reimbursement Act**.

If applying for **partial reimbursement**, the report must **clearly state** the **current status of the production**, the **unfinished phases**, and any **remaining work**.

#### Confirmation of Distribution

To qualify for reimbursement, the project must have a **clear distribution plan**. The **reimbursement payment application** must include **confirmation and details of where and how the project will be publicly exhibited**.

The following types of content **do not qualify** for reimbursement:

- **Advertisements and news-related content**
- **Short films**
- **Recordings of sports events and live performances**
- **Content primarily intended for promotional purposes**

- **Content intended solely for distribution within a private network**

### **Financing Plan**

A **detailed breakdown** of the **financing plan** must be submitted in **Excel or PDF format**, showing all financing sources. The **total financing amount** must match the **final cost statement**.

Additionally, **contracts confirming all financing sources** must be submitted.

### **Final Cost Statement**

Before submitting the **final cost statement**, the applicant must carefully review **Article 5(a) of the Reimbursement Act**, which defines **eligible production costs**.

The **total production cost** refers to **all expenses incurred during production**, regardless of **where production activities take place** (Iceland, within the EEA, or outside the EEA).

Only **expenses paid by the applicant** are **eligible for reimbursement**, including costs incurred within the EEA but outside Iceland.

The application must include a detailed cost breakdown, comparing actual costs with the budget submitted when the LOI was issued. If any **budget line item in the Topsheet** shows a variance **greater than 20%** from the original budget, a statement explaining these discrepancies must be provided.

A **statement signed by the board and CEO** confirming that the **final cost statement complies with the Reimbursement Act and its regulations** must accompany the application. For reimbursement amounts **exceeding ISK 3 million**, an **auditor's certification** confirming compliance with the **Reimbursement Act** is also required. Applicants are encouraged to use the [official audit certification template](#), available on the **Icelandic Film Centre's website**.

For **partial reimbursement**, the **final cost statement must clearly outline** the **specific cost items** that qualify for reimbursement at that stage, as well as the **remaining costs** not yet paid.

### **Transaction Report (Ledger Statement)**

A **ledger statement** from the project's accounting system (in **PDF or Excel format**) must be submitted, detailing **all financial transactions** that correspond to the **final cost statement**. If applying for **reimbursement of costs incurred within the EEA but outside Iceland**, those costs **must also be validated** in the **ledger statement**.

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### **Reimbursement Base Calculation**

Only **costs incurred in Iceland** that meet the conditions outlined in **Article 5(a) of the Reimbursement Act** qualify for reimbursement.

However, if **more than 80% of the total production cost** was incurred in **Iceland**, reimbursement **may also** be granted for **expenses incurred within the EEA, Greenland, and the Faroe Islands**. For **salaries and contractor payments** to qualify, they must be **taxed in Iceland**. If the **ledger statement** contains expenses for **contractors or employees taxed within the EEA but outside Iceland**, those costs must be **excluded** from the reimbursement base calculation.

Reimbursement will **not be granted** for costs that **have not been fully paid** when the **production is completed** and the **reimbursement payment request is submitted**. This includes:

- **Deferred fees**
- **Company overhead costs that are calculated as a percentage of the production budget**
- **Estimated future expenses**

### **Foreign Cost Breakdown**

If the final cost statement includes **payments to foreign entities**, an **overview of total costs by region** must be provided:

1. **Iceland**
2. **EEA countries outside Iceland (including Greenland and the Faroe Islands)**
3. **Other countries**

Foreign transactions must also be **clearly marked** in the **ledger statement**.

### 35% Reimbursement Eligibility

To qualify for the **35% reimbursement rate**, applicants must provide evidence that the project meets all **three** of the following conditions:

1. **Eligible production costs incurred in Iceland must be at least ISK 350 million.**
2. **Principal photography in Iceland must be at least 10 days**, with the **combined total of shooting and post-production days in Iceland being at least 30.**
3. **At least 50 crew members must be directly employed in production in Iceland.** These individuals must be **taxable in Iceland** and must work on the production for at least **one full day each**, either as **employees or contractors.**

To confirm compliance, the following documents must be submitted:

1. **Final shooting schedule** and, if applicable, a **post-production schedule** clearly stating the **number of shooting and post-production days in Iceland.**
2. **Crew list** of all personnel directly involved in production and **taxable in Iceland**, including **full name, job title, and number of workdays.** The list must match the **final cost statement and ledger statement.**

The same conditions apply to **partial reimbursement**. If the **eligible production cost is below ISK 350 million** at the time of **partial reimbursement**, the **reimbursement rate is 25%**. However, if the **final cost statement confirms** that the project **exceeds ISK 350 million** and meets the **other conditions for 35% reimbursement**, the **higher rate will apply to the total cost**, with previous partial payments deducted from the final reimbursement.

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### Additional Information

Data on **regional spending** and **employment by gender** is collected **for analytical purposes only**. These statistics **do not affect reimbursement decisions** but are used to **evaluate the societal impact** of the reimbursement system.