

STATE OF ALASKA  
ALASKA FILM OFFICE  
550 West 7th Avenue, Suite 1770 | Anchorage, AK 99501  
(907) 269-8190 p / f (907) 269-8147

ALASKA FILM PRODUCTION TAX CREDIT  
FINAL APPLICATION FORM - Page 1

**\*\* This application and all related information submitted to the Alaska Film Office are public records subject to the Alaska Public Records Act (AS 40.25.100-295). They may be available for review by the public unless subject to a specific exception established by law. An applicant may submit a cover letter with written justification for treating submitted documents as CONFIDENTIAL, PROPRIETARY or as TRADE SECRET INFORMATION and should mark each individual page submitted as such. However, requests for exemption to the Alaska Public Records Act shall be subject to verification and final determination by the Film Office. \*\***

Please provide the required information - attach separate sheets as necessary.  
The Alaska Film Office may request additional information in order to reach an award determination.

**A) APPLICANT (Company) INFORMATION**

Name of Production Company (Applicant - Parent Company)

Digital Forces, LLC

Doing Business As (Production LLC - if applicable)

Brain Farm

Production Company Physical Address

525 Elk Ave Unit # 3A

City/State/Zip

Jackson, WY 83001

Mailing Address (if different)

970 W. Broadway #325

City/State/Zip

Jackson, WY 83001

Telephone

307-200-6050

Fax

307-200-6052

E-Mail

dave@brainfarmcinema.com

Company Type

Corporation

LLC

Sole proprietorship

Trust

Partnership

Non-Profit

Employer ID Number (EIN)

Alaska Business License #

Production Company Domicile (state) and ID #

971423

Wyoming 1003955

**B) PRODUCTION COMPANY CONTACT INFORMATION** (this will be the primary contact person for expense verification and Tax Credit)

Company Representative

Dave Peters

Title/Position

Bookkeeper

Telephone

307-200-6050

Fax

307-200-6052

E-Mail

dave@brainfarmcinema.com

Send completed form and other required materials to:

Alaska Film Office  
550 W. 7th Avenue, Suite 1770  
Anchorage, Alaska 99501

Note: to expedite your application, you may fax or e-mail the required information to our office (see fax number and email below).  
However, we require signed originals to complete our files - please mail your packet to the address above.

**We cannot finalize your Tax Credit Application until we've received the signed original of this form.**

Questions? E-mail [alaskafilm@alaska.gov](mailto:alaskafilm@alaska.gov) or call (907) 269-8190 - fax (907) 269-8147

ALASKA FILM PRODUCTION TAX CREDIT  
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Please provide the required information - attach separate sheet(s) as necessary.

C) PRODUCTION GENERAL INFORMATION

Name of Production (Project Title) Art of Flight		Release or Premiere Date: 9/01/2011
Production Type:	<input checked="" type="checkbox"/> Feature Film <input type="checkbox"/> Television Series	<input type="checkbox"/> Documentary <input type="checkbox"/> Commercial/Advertisement <input type="checkbox"/> Other (please explain.)

D) PRODUCTION SCHEDULE

	Overall Production Schedule:		Total Alaska Production:
	Start Date	End Date	Start Date
Pre-Production:	02/01/2010	03/01/2010	03/01/2010
Production:	03/01/2010	05/30/2011	End Date
Post-Production:	05/30/2011	09/01/2011	05/30/2010
First date of principal photography in Alaska:	03/01/2010	Number of days of principal photography in Alaska:	90

E) PRODUCTION PERSONNEL

non-Alaska Crew: <small>(total count)</small>	10	Alaska Crew: <small>(total count)</small>	0
non-Alaska Crew: <small>(average number weeks worked)</small>	10	Alaska Crew: <small>(average number weeks worked)</small>	0
non-Alaska Talent: <small>(total count)</small>	4	Alaska Talent: <small>(total count)</small>	0
non-Alaska Talent: <small>(average number weeks worked)</small>	10	Alaska Talent: <small>(average number weeks worked)</small>	0
Payroll Services Company: <small>(productions with payroll over \$1 million)</small>			
Production Services Company: <small>(lead Alaska contractor)</small>	Chugach Powder Guides		
Alaska contractors: <small>(number of companies working)</small>	2	Alaska contractors: <small>(average weeks working)</small>	12

F) PRODUCTION LOCATION INFORMATION

Identify communities in Alaska where you filmed:

Tordrillos

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**ALASKA FILM PRODUCTION TAX CREDIT  
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Please provide the required information - attach separate sheet(s) if necessary.

**G) BUDGET INFORMATION BY CATEGORY FOR TAX CREDIT CALCULATION**

Below, list your expenses (minimum of \$100,000 over a consecutive 24-month period) for this project.  
Include only costs for expenditures that were incurred in Alaska. Attach separate sheet(s) if necessary.

Fields with green background are calculated, do not enter data.

**Wages and Salaries:**

Please note: Wages and salaries does not include payments to independent contractors or through productions service companies - those payments should be recorded in Line 5 - Services. Wages, Salaries and fees paid thru 3rd parties (payroll services companies, loan-out companies etc.) must be identified in the required personnel list and the company must be listed in the required "entities whose qualified expenses were included jointly with those of the Company" list.

	"Above the Line"	"Below the Line"
Wages and Salaries paid to Alaska residents:	\$ 0 -	\$ 0 -
<b>1a) Total Wages and Salaries paid to Alaska residents:</b>		<b>\$ 0 -</b>
	"Above the Line"	"Below the Line"
Wages and Salaries paid to non-Alaska residents:	\$ -	\$ -
<b>1b) Total Wages and Salaries paid to non-Alaska residents:</b>		<b>\$ 12,313.92 -</b>
<b>1) Total Wages and Salaries (1a + 1b)</b>		<b>\$ 12,313.92 -</b>
<b>2) In-state Transportation and Shipping</b> (in Alaska - 100% of costs may be eligible)		<b>\$ 182,464.76 -</b>
<b>3) Interstate Transportation and Shipping</b> (to and from Alaska - 50% of costs may be eligible)		<b>\$ 2,774.21 -</b>
<b>4) Location Fees, Facility rental/purchase, Equipment rental/purchase</b> (see statutes and regulations at <a href="http://www.film.Alaska.gov/incentives">www.film.Alaska.gov/incentives</a> for detailed eligibility information)		<b>\$ 26,088.39 -</b>
<b>5) Services</b>		<b>\$ 26,809.44 -</b>
<b>6) Food &amp; Lodging</b>		<b>\$ 39,466.03 -</b>
<b>7) Other Production Expenses</b> (Attach detailed budget)		<b>\$ -</b>
<b>8) Total Alaska Production Expenses</b> (add Lines 1 - 7)		<b>\$ 289,916.75 -</b>

**H) TAX CREDIT CALCULATION**

<b>Base Credit (30%)</b>		
9) Base Tax Credit - 30% of line 8 (multiply line 8 by 0.30)		\$ 86,975.03 -
<b>Alaska Hire Credit (10%)</b>		
10) Alaska Hire Tax Credit - 10% of line 1a (multiply line 1a by 0.10)		\$ 0 -
<b>Seasonal Credit (2%)</b>		
11) Expenditures from line 8 that were incurred between October 1 and March 30	\$ 3,746.43 -	
12) Seasonal Tax Credit - 2% of line 11 (multiply line 11 by 0.02)		\$ 74.93 -
<b>Rural Credit (2%)</b>		
13) Expenditures from line 8 that will be incurred in a Rural Area (see rural community list at <a href="http://www.film.Alaska.gov">www.film.Alaska.gov</a> )	\$ 352.75 -	
14) Rural Tax Credit - 2% of line 11 (multiply line 13 by 0.02)		\$ 7.06 -
<b>TOTAL TAX CREDIT:</b>		
<b>15) Alaska Film Production Tax Credit</b> (add lines 9, 10, 12 and 14)		<b>\$ 87,057.01 -</b>

Actual tax credits approved (if any) may vary depending on the production's qualified expenditures as verified by an independent, Alaska-licensed CPA and the Alaska Film Office.

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#### DISCLAIMERS

Production Tax Credits are issued based on qualified expenditures that are verified by an independent, Alaska-Licensed Certified Public Accountant (CPA). To be verified, all qualified expenses must be paid in full - no tax credits will be issued to productions with outstanding obligations to vendors and/or individuals.

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#### APPLICANT CHECKLIST (All the materials below are required before this application can be processed)

- Detailed identification of the production - including name of Production Company and related entities and the production title (if series TV please indicate season number). **Attachment A**
- Verification by an Alaska licensed Certified Public Accountant (CPA) that satisfies the requirements of AS 43.33.235(d). Name and address of CPA must be included. **Attachment B**
- Detailed budget indicating total and Alaska expenses. **Attachment C**
- Detailed cost report indicating how each Alaska expense claimed was allocated to the Film Office categories on page 3 of this form. **Attachment D**
- Detailed list of all personnel and cast working in Alaska including dates worked and salaries earned while in Alaska. **Attachment E**
- List of names and address of entities whose qualified expenses were included jointly with those of the company in this application, as well as a detailed list of all such expenditures (e.g. Payroll Service or Loan-out companies). **Attachment F**
- List of any tangible personal property for which costs were included that was not transferred or otherwise disposed of at the end of production (information on tangible property rules are in regulation: 3AAC 188.040). **Attachment G**
- List of all Alaska principle photography days, including dates and locations. **Attachment H**
- Rough assembly of the production as required by 3 AAC 188.050(b). **Attachment I**
- Sworn certification by producer as required by 3 ACC 188.050(e). **Attachment J**
- Copy of Alaska Business License valid during production. **Attachment K**
- Final distribution plan. **Attachment L**
- Attachments A through L (above) are attached and are incorporated into this application.

#### AGREEMENTS

I certify that I am an authorized representative of the applicant and as such am authorized to make the statement of affirmation contained herein.

I hereby agree to allow representatives of the Alaska Film Office access to applicable records as may be necessary for the administration of this program.

I certify that the production is an eligible project as defined in AS 44.33.233.

I certify, under penalties of unsworn falsification, that the above statements and information contained in the application and attachments are complete, true, and correct to the best of my knowledge and belief.

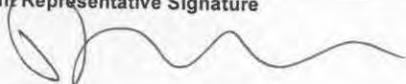
Applicant Representative Printed Name

Dave Peters

Applicant Representative Title

Bookkeeper

Applicant Representative Signature



Date

5.11.12

SWORN CERTIFICATION OF COMPLIANCE  
(3 AAC 188.050(e))

STATE OF Wyoming )  
Teton JUDICIAL DISTRICT (COUNTY) ) ss.  
)

Regarding an application for a tax credit under Alaska's Film Production Incentive Program for The Art of Flight (name of production), I, Chad Jackson, Producer, being sworn, certify that:

1. I and the production, The Art of Flight have fully complied with all applicable state laws and regulations during the production and have complied with all state permit requirements;

2. neither I nor the production, The Art of Flight, are the subject of an investigation or administrative proceeding concerning alleged violations by the producer or the production of the laws or regulations of this state;

3. neither I nor the production, The Art of Flight, are involved in a legal action filed in a federal court or a court in this state concerning alleged violations by the producer or the production of the laws or regulations of this state. If after submission of the sworn certification, I or the production, The Art of Flight, become the subject of an investigation or administrative proceeding described in this subsection, or become involved in a legal action described in this subsection, I shall immediately notify the Alaska Film Office. I understand that failure to comply with this requirement may result in a tax credit not being awarded to the producer. I also understand that if I or the production, The Art of Flight, are or become the subject of an investigation or administrative proceeding described in this 3 AAC 188.050(3), or are or become involved in a legal action described in that subsection, the Alaska Film Office will suspend determination of the production's eligibility for a tax credit pending resolution of that investigation, administrative proceeding, or legal action. I further understand that I may be subject to criminal prosecution for Unsworn Falsification in the Second Degree (AS 11.56.210) if any of the statements I make in this sworn certification are false.

DATE: 5/1/12

*Chad Jackson*  
Name and Title  
Chad Jackson - Producer

SUBSCRIBED AND SWORN TO before me this 1<sup>st</sup> day of May, 2012.



*Lorene Carter*  
Notary Public in and for the  
State of Wyoming  
My commission expires: 09/21/2014



STATE OF ALASKA  
DEPARTMENT OF  
**COMMERCE**  
COMMUNITY AND  
ECONOMIC DEVELOPMENT

Division of Economic Development

*Sean Parnell, Governor*  
*Susan K. Bell, Commissioner*  
*Wanetta Ayers, Director*

May 22, 2012

TAX CREDIT APPROVAL MEMO

From: David Worrell, Development Specialist II  
Alaska Film Office  
550 W. 7th Avenue, Suite 1770 | Anchorage AK 99501  
(907) 269-8491 p / f (907) 269-8125

To: Kelly Mazzei, Income Tax Auditor  
Alaska Department of Revenue, Tax Division  
550 W. 7th Avenue, Suite 500 | Anchorage AK 99501  
(907) 269-1018 p / f (907) 269-6644

CC: Chad Jackson, Producer and Dave Peters, Bookkeeper  
The Digital Forces, LLC (dba Brain Farm)  
Robynn Wilson, Revenue Audit Supervisor  
Alaska Department of Revenue, Tax Division  
Wanetta Ayers, Director  
Alaska Division of Economic Development

The Alaska Film Office has reviewed and is hereby approving the application of The Digital Forces, LLC for an Alaska Film Production Tax Credit for their production "The Art of Flight."

Please issue an Alaska Film Production Tax Credit, in the amount of \$87,057.01 to The Digital Forces, LLC (██████████).

Mailing address:

The Digital Forces, LLC  
Dave Peters, Bookkeeper  
970 W. Broadway #325  
Jackson, WY 83001

(307) 200-6050 p | f (307) 200-6052 | [dave@brainfarmcinema.com](mailto:dave@brainfarmcinema.com)

Questions can be referred to Dave Worrell at the Alaska Film Office.