

# Advocating for grants and tax incentives for game development

Despite being part of the screen production industry, our sector has in the past been excluded from all federal screen funding and incentives, and often limited state and territory support too. For years we fought for a 30% tax offset for game development, something we achieved when the Australian Government announced the introduction of the Digital Games Tax Offset (DGTO), and we continue to fight for the ability of game developers to access Screen Australia funding. We also lobby for strong, cohesive, and effective funding and incentives for game development across the states and territories.

## How will the Digital Games Tax Offset support the sector?

Based on global experience, we know exactly what the Australian Government's landmark DGTO will do. It will supercharge Australia's video game exports by enabling existing studios to increase the number of games they make, make more ambitious games, and focus on innovation. It will also give Australian 'work-for-hire' studios who export their game development services a competitive edge. It will lead to vast foreign investment, likely to be measured in the billions, by making all Australian cities prime destinations for brand new 'AAA' studios. The growth of existing and new studios will also lead to the creation of thousands of new skilled, digital, and futureproofed full-time jobs. However, to achieve these goals, it will be important that the DGTO is designed and implemented in line with international best practices. If done right, our modelling suggests that we can create a \$1 billion a year industry by 2030 with 10,000 fulltime workers.

## How would a federal games fund further support the sector?

The Australian Government provides significant support to Australian screen content creators, from film and TV producers to digital content creators, through a range of funds administered by Screen Australia. Despite being screen content, video games are excluded from any of this funding. Game developers need funding for the same reasons as film and TV producers. Funding helps emerging talent to secure seed funding to get their projects started, which helps them to obtain financing and investment, which helps them to hire the talent they need, which results in games being delivered to market, often to great success. Critically, the fund would complement the DGTO by providing the most benefit to emerging 'indie' development studios, most of whom would be unlikely to meet the minimum qualifying expenditure required to access the tax offset.

## How do the states and territories support the sector?

Many jurisdictions support game development through grants, loans, and other assistance. While they can never replace the need for federal support, they are vital. We advocate for effective, well-designed, and broadly-accessible funding in the states and territories. We also advocate for expenditure-based rebates, which South Australia and Victoria have showed leadership in introducing, as proven methods for supercharging local and global investment. Finally, we continue to lobby the two jurisdictions that do not provide games funding - NSW and the NT.

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