



Georgia Department of Revenue

Policy Bulletin IT 2023-01

Film Tax Credit

Interim Production Period Expenditures Incurred During the Writers Guild of America (WGA) Strike and The Screen Actors Guild – American Federation of Television and Radio Artists (SAG-AFTRA) Strike

- 1) **Purpose:** This policy bulletin provides guidance regarding the treatment of interim production period expenditures incurred during the Writers Guild of America (WGA) strike and the Screen Actors Guild – American Federation of Television and Radio Artists (SAG-AFTRA) strike (the “Strikes”).
- 2) **Effective Date (WGA):** From May 2, 2023 through the end of the WGA strike.
- 3) **Effective Date (SAG-AFTRA):** From July 14, 2023 through the end of the SAG-AFTRA strike.
- 4) **Authority:** O.C.G.A. § 48-7-40.26 and Revenue Regulation 560-7-8-.45.
- 5) **Scope:** A Policy Bulletin is intended to provide guidance to the public and to Department personnel. It is a written statement issued to apply principles of law to a specific set of facts or a general category of taxpayers, superseding all conflicting documents and oral directives previously issued by the Department. A Policy Bulletin does not have the force or effect of law and is not binding on the public. It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or subsequent Policy Bulletin.
- 6) **Issues:**
 - a) Background information.
 - b) Treatment of interim production period expenditures incurred during the Strikes.
- 7) **Discussion of Issues:**
 - a) **Background information.** During the Strikes, a production company may incur interim production period expenditures should it temporarily shut down. Interim production period expenditures are only the expenditures associated with holding studios and maintaining sets (the same costs that are incurred when a television or other series spans more than one season, as provided in Policy Bulletin IT 2016-01).
 - b) **Interim production period expenditures incurred during the Strikes.** Interim production period expenditures qualify for the film tax credit provided the production company continues filming in Georgia and can only be claimed for the qualifying year in which the production company continued filming in Georgia. For example, during the strike, if interim production period expenditures are incurred as a result of a production company temporarily shutting down, these interim production period expenditures can be included if the production company resumes filming in Georgia post-strike, provided all statutory and regulatory requirements are met. However, if the production company does not resume or continue filming in Georgia, then the interim production period expenditures do not qualify for the film tax credit and cannot be claimed.

FOR MORE INFORMATION

For more information on this subject, contact Taxpayer Services at 1-877-423-6711 from 8:00 a.m. to 4:30 p.m. EST, Monday through Friday, excluding holidays. Deaf and hard of hearing taxpayers who have access to TDD equipment can use the Georgia Relay program. For more information visit <http://georgiarelay.org>. For forms and other information, visit our website <http://dor.georgia.gov>.
