

**Mandatory Film Tax Credit Process for Production Companies on the Georgia Tax Center (not applicable to Qualified Interactive Entertainment Production Companies)**  
**(7-8-16)**

**1. All Production Companies must be registered with the Georgia Department of Revenue.**

**If you have never filed an income tax return** with the State of Georgia you must call the Taxpayer Services Call Center at 1-877-423-6711 to get registered, receive a web logon and a temporary password for the Georgia Tax Center (GTC).

**Current income tax filers** with the State of Georgia that do not already have access to their account on GTC can simply create a GTC profile and a GTC logon on the Department's website at <https://gtc.dor.ga.gov>. Please view the [GTC Quick Reference Guide](#) for detailed instructions. Additional GTC help may also be found at <http://dor.georgia.gov/georgia-tax-center-info>

- 2. Reporting Requirement.** For any film tax credit that is or will be claimed on or after June 1, 2016 (as well as credits for taxable years beginning before January 1, 2016 if the credit is or will be claimed on or after June 1, 2016), within 90 days of the completion of the base investment or excess base investment in this state\*, the production company that earned the film tax credit must access their GTC account and upload a copy of their certification(s)\*\* from the Georgia Department of Economic Development (GDEcD), and must also input their GDEcD certification number(s), their estimated base investment or estimated excess base investment (estimated Georgia Spend), and their film tax credit percentage amount (either 20 percent or 30 percent). Failure to provide the requested information could result in a return processing delay and/or the credit not being allowed for the production company and for any transferee of the credit. After completion of this step, a DOR Film Tax Credit Certificate Number will be issued to the production company via a letter from the Department's Taxpayer Services Division. This number must be entered on the production company's income tax return; if the number is omitted the credit will be suspended until it is provided.

If the production company is a disregarded entity then such information should be submitted in the name of the owner of the disregarded entity but the certification from the Department of Economic Development that is attached to such submission should be in the name of the disregarded entity.

Additionally, the Form IT-FC does not have to be submitted to the Department at the time of reporting but the production company may want to complete an estimated Form IT-FC for the purpose of fulfilling the above reporting requirement. If an estimated Form IT-FC is completed it should not be sent to the Department.

The production company will still be required to claim the film tax credit on their income tax return by completing Form IT-FC and attaching it to their return. The Form can be found in the Forms Section of the Department's website:

<http://dor.georgia.gov/documents/forms>

- 3. Tax Credit Transfer.** For production companies which are subject to the reporting in paragraph 2 and which sell their Film Tax Credit, Form IT-TRANS must be submitted to the Department of Revenue through the web-based portal on GTC at <https://gtc.dor.ga.gov>. The production company should submit this request from within their GTC logon. A third party submitting this request on behalf of a production company, should use the Transfer Tax Credit hyperlink under

the Business tab located on the GTC homepage (a GTC logon is not required). The reporting required by paragraph 2 above must be completed before the Form IT-TRANS can be submitted as the DOR Film Tax Credit Certificate Number is a field on the electronic Form IT-TRANS. The purchaser should not enter a certificate number when claiming the purchased film tax credit (the purchaser should not enter the production company's certificate number on the purchaser's income tax return). Please note that paper copies of the Form IT-TRANS will no longer be accepted.

If the production company is a disregarded entity then Form IT-TRANS should be filed in the name of the owner of the disregarded entity but the certification from the Department of Economic Development and Form IT-FC should be in the name of the disregarded entity. Purchasers of the credit from a disregarded entity should list the FEIN of the owner of the disregarded entity when claiming the credit on their tax return.

Form IT-TRANS must be completed to include details for all tax credits sold. Failure to provide the requested information could result in a return processing delay and/or the credit not being allowed for the transferee.

**Detailed instructions (screen shots, etc.) on the Reporting and IT-TRANS process can be found in the “Film Tax” section of the following page:**

<http://dor.georgia.gov/instructional-documents>

**Also, please see Rule 560-7-8-.45 “Film Tax Credit” for additional information.**

<http://rules.sos.ga.gov/GAC/560-7-8-.45>

\*Completion of the “Base Investment or Excess Base Investment in this State” means the date the production company has finished qualified production activities and incurs no additional qualified production expenditures.

\*\*If a project spans more than one year and the \$500,000 base investment threshold or excess base investment threshold is not met in the first year, the production company shall only be required to report such information in the year in which the credit will be claimed which is the year the \$500,000 base investment threshold or excess base investment threshold is met. In such case the GDEcD certifications for all years should be submitted through GTC. The GDEcD certifications should either be submitted together as one file or the additional certification should be submitted using the additional document option.

If a project spans more than one year and the \$500,000 base investment threshold or excess base investment threshold is met in the first year (i.e. the credit will be claimed for the first year), the production company shall be required to report such information by the earlier of when the credit for such year is sold or the tax return for such year is filed. The normal process should be followed for the year the project is completed.

If a production company has multiple projects within one year, the production company should report within 90 days of the date when the aggregate total of completed projects exceeds the \$500,000 threshold requirement. Once the initial reporting has been completed, the production company should report using the normal rules as the projects are completed.

If you have any questions, please contact the Department at 1-877-423-6711.