



Georgia Department of Revenue
Policy Bulletin IT 2016-01
Film Tax Credit
Series Interim Production Period Expenditures

- 1) **Purpose:** This policy bulletin provides guidance regarding series interim production period expenditures incurred by production companies.
- 2) **Effective Date:** January 1, 2017.
- 3) **Authority:** O.C.G.A. § 48-7-40.26 and Revenue Regulation 560-7-8-.45.
- 4) **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 It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or subsequent Policy Bulletin.
- 5) **Issues:**
 - a) Background information.
 - b) Treatment of series interim production period expenditures incurred before January 1, 2017; and
 - c) Treatment of series interim production period expenditures incurred on or after January 1, 2017.
- 6) **Discussion of Issues:**
 - a) **Background information.** When a television or other series spans more than one season, the production company incurs interim production period expenditures. Interim production period expenditures are the expenditures associated with holding studios and maintaining sets.
 - b) **Series interim production period expenditures incurred before January 1, 2017.** Series interim production period expenditures incurred before January 1, 2017 qualify for the film tax credit and can be claimed in the tax year they are incurred.
 - c) **Series interim production period expenditures incurred on or after January 1, 2017.** Series interim production period expenditures incurred on or after January 1, 2017 qualify for the film tax credit provided the subsequent season is filmed in Georgia and can only be claimed in the taxable year in which the subsequent season begins, even if some of the expenditures were incurred in the prior taxable year. For example, season 1 ends and then interim production period expenditures are incurred. These interim production period expenditures can be included with season 2's expenditures if season 2 is filmed in Georgia. However, if season 2 is not filmed 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>.
