



Georgia Department of Economic Development Precertification Application for Georgia Musical Tax Credit

Applications may be submitted to the Georgia Department of Economic Development (GDEcD) via email at taxcredit@georgia.org or to Georgia Film, Music, & Digital Entertainment Office, 75 5th Street NW, Suite 1200, Atlanta, GA 30308.

Musical Tax Credit Precertification Application

As cited in O.C.G.A. § 48-7-40.33, the 'Georgia Musical Industry Investment Act,' for any touring musical or theatrical production that originates and is developed in Georgia and has its initial public performance before a live audience in the state; or that has its U.S. debut in Georgia after preparing and rehearsing for at least seven days in the state; or for a recorded musical performance, including, but not limited to, the score and musical accompaniment of a motion picture, television or digital interactive entertainment production; the production company may be eligible to earn a tax credit of 15% on the Qualified Production Spend, or up to 20% if the production activity takes place in a Tier 1 or Tier 2 Georgia County. As designated annually by the Georgia Department of Consumer Affairs (DCA), the 159 Georgia counties are ranked into four tier groups, based on unemployment rates, per capita incomes and percentage of residents whose incomes are below the poverty level according to the most recent data available. You will find a Tier Map with your application materials in the pocket of this brochure or it can be viewed online at: <http://www.dca.state.ga.us/economic/TaxCredits/programs/taxcredit.asp>. **Please note that these tiers are reevaluated on a calendar basis, so changes in tier rankings may occur each January.**

The Musical Tax Credit will be available beginning January 1, 2018, and will be capped annually, with the cap set at \$5 million for 2018, \$10 million for 2019, and \$15 million thereafter until the credit sunsets in 2023. **The credit will be awarded to production companies on a first-come, first-served basis, and precertification applications shall be reviewed in the order that they are received.** No single production company may claim more than 20% of the annual credit allocation.

To apply for precertification with GDEcD, **the production company must demonstrate that the project will meet the applicable minimum spending thresholds in the state:**

1. For musical or theatrical productions, \$500,000 during a taxable year;
2. For a recorded musical performance incorporated into a film, television, or digital interactive entertainment production, \$250,000 during a taxable year;
3. For any other kind of recorded musical performance, \$100,000 during a taxable year.

Production Company Information

Legal Name of Applicant

Address, City, State, Zip

Contact Title Telephone Number

E-mail Address Fax Number

Parent Company, if applicable:

Name

Address, City, State, Zip

Contact Person Title Telephone Number

E-mail Address Fax Number

Organization of Production Company

- ____ Individual Proprietorship
- ____ Partnership
- ____ Corporation
- ____ Limited Liability Company
- ____ Subchapter S Corporation
- ____ Other (Describe) _____

Date of Incorporation or Formation _____

Federal Tax ID Number _____

Project Description

Title of Project: _____

Please see below and complete appropriate section:

Musical or Theatrical Performance

A production company that meets or exceeds \$500,000 in qualified production expenditures in a taxable year for a musical or theatrical performance shall be allowed a tax credit of 15% of the



qualified production expenditures; and an additional 5% shall be allowed for qualified production expenditures incurred in a tier 1 or tier 2 county as designated by the Commissioner of Community Affairs under O.C.G.A. § 48-7-40.

Please provide a detailed description of the project:

Please attach the complete tour schedule, documentation establishing that the tour locations have been secured, and an estimated budget breakdown of expenditures for this project, including whether any such expenditures will be incurred in Tier 1 or Tier 2 counties.

Recorded Musical Performance Incorporated into a Film, Television or Interactive Entertainment Production

A production company that meets or exceeds \$250,000 in qualified production expenditures in a taxable year for a recorded musical performance that is incorporated into or synchronized with a movie, television, or interactive entertainment production shall be allowed a tax credit of 15% of the qualified production expenditures; and an additional 5% shall be allowed for qualified production expenditures incurred in a Tier 1 or Tier 2 county as designated by the Commissioner of Community Affairs under O.C.G.A. § 48-7-40.

Please provide a detailed description of the project:

Title and Type of Project with which this performance is synchronized:

Producer: _____ Phone: _____

Estimated qualified Georgia Expenditures: _____

Any anticipated expenditures in a Tier One or Tier Two Georgia County? _____

If so, what is the estimate? _____

Which county or counties? _____

Please attach an estimated budget breakdown of expenditures, including whether any such expenditures will be incurred in Tier 1 or Tier 2 counties.

Please note that expenditures claimed under Code Section 48-7-40.26 (The Film Tax Credit) will not be eligible expenditures under the Musical Tax Credit.

Other Recorded Musical Performance

A production company that meets or exceeds \$100,000 in qualified production expenditures in a taxable year for any other recorded musical performance, as provided in O.C.G.A. § 48-7-40.33 shall be allowed a tax credit of 15% of the qualified production expenditures; and an additional 5% shall be allowed for qualified production expenditures incurred in a Tier 1 or Tier 2 county as designated by the Commissioner of Community Affairs under O.C.G.A. § 48-7-40.

Please provide a detailed description of the project:

Where in GA will the recorded musical performance take place?

Producer: _____ Phone: _____

Artists attached to the project: _____

Anticipated Project Start Date: _____

Anticipated Date of Project Completion: _____

Estimated qualified Georgia Expenditures: _____

Any anticipated expenditures in a Tier One or Tier Two Georgia County? _____

If so, what is the estimate? _____

Which county or counties? _____

Please attach an estimated budget breakdown of expenditures, including whether any such expenditures will be incurred in Tier 1 or Tier 2 counties.

All Projects Must Complete Section Below

Is the Company including qualified expenses incurred by another entity in conjunction with this production on this application? Yes No

If YES, both companies must provide a written and signed agreement to the Department of Economic Development as to which party will be applying for the Musical Tax Credit with the understanding that:

- 1) only one production company can claim the musical tax credit per production and therefore,
- 2) the other qualifying production entity cannot also claim the musical tax credit for such expenses, and
- 3) **that** the production company filing this musical tax credit application must attach a written waiver given by the other qualifying production entity evidencing their intent to allow the production company to claim the musical tax credit for such expenses.

Certification by Applicant

Applicant is responsible for accuracy of all data and documentation included in this application. Applications are to be submitted to taxcredit@georgia.org. Once submitted, applications will become the property of the Georgia Department of Economic Development (GDEcD). It is the applicant's responsibility to inform the GDEcD in the event that there are changes to any information on the application. Amendments must be made in writing to the Georgia Film, Music & Digital Entertainment Office, 75 Fifth Street NW, Suite 1200, Atlanta, GA 30308 and a confirmation letter will be issued by the Department.

Upon written request, applicants shall issue any necessary authorization to the appropriate Federal, State or Local authority for the release of information concerning the project under these administrative rules, including but not limited to financial reports and records relating to the applicant or to the production for which this credit is requested.

By signing below, the applicant certifies that all the information contained herein and exhibits attached hereto are true to the best of their knowledge and are submitted for the purpose of obtaining tax credit certification through the GDEcD.

Date

Applicant

Title

Phone Number

Precertification by the Georgia Department of Economic Development

Date

Name

Title

Phone Number

Amount of Precertification _____

Pre-Certification # _____