



CERTIFIED PUBLIC ACCOUNTANT

Massachusetts Film Tax Credits

New York Film Tax Credits

Nonprofit Organizations – Audit / Review / Compilations

Corporate & Individual Taxes / Accounting

FAQ – Mass. Film Tax Credit

Loanouts

- Must withhold 5.1% for **all** loanouts – ATL / BTL, talent, crew, directors, etc.
- Must complete **both** the middle and bottom parts of Page 1 of the Loanout Affidavit Form – must include the loanout’s federal id / tax id # (middle) **and** the individual’s social security # (bottom)
- Work **must be** performed in Massachusetts
- We recommend that the production company obtain a completed Loanout Affidavit Form **before** paying the loanout

Independent Contractors

- Must withhold 5.1% for **all** independent contractors (1099-MISC)
- Must **remit** the above payment to Mass. Dept. of Revenue on a quarterly basis (via MassTaxConnect)
- We recommend that the production company obtain a W9 **before** paying the contractor

Recording Production Expense Transactions

- Travel expenses only valid within Massachusetts. For employees driving into Massachusetts, once you cross into Mass., stop & note beginning mileage. Before leaving Mass., stop & note ending mileage
- Mass. Dept. of Revenue requires the following information for **each** production expense transaction:

Example:

- | | |
|--------------------------|--|
| ○ Date | 10/1/18 |
| ○ Amount | \$45.19 |
| ○ Description of expense | 2 boxes of Joe, 1 dozen donuts, 1 dozen bagels, etc. |
| ○ Vendor name | Dunkin Donuts |
| ○ Vendor address | 1631 Tremont St., Boston, MA 02120 |

Some Invalid Production Expenses

- Out-of-state travel (air, train, mileage, etc.)
- Out-of-state meals
- Out-of-state shipping
- Insurance
- Legal
- Marketing, screenings, etc.
- Stock images
- Purchase of script / storyboards
- Non-production accounting / tax services
- Bank / credit card service fees