



GEORGIA MUSIC TAX CREDIT

Georgia Music Partners (GMP) is the primary driver behind 2017's Georgia's Music Investment Act, whose mission it is to promote, grow and improve the music economy in Georgia.

As of January 2018, qualified music business spending in the state of Georgia will receive a 15–20% tax incentive.

If you're a CFO or production executive of a music organization doing business in Georgia (or interested in doing business here), GMP exists to help you leverage this incentive to benefit your business. Below is an overview of what the incentive entails.

Credit Overview	Concert Tour or Theatrical Production	Music Recording
Georgia Tax Credit Opportunity	15% (with optional bonus 5% for a total of 20%)	
Minimum Yearly Expense Threshold	\$500,000	\$250,000 (for scoring film/tv/digital) \$100,000 (for all other music recordings)
Qualifying Expense Requirements	Develop your tour, musical or theatrical act in Georgia and have initial USA performance in state; <u>or</u> , debut tour in Georgia and rehearse at least seven days in state.	Pay for services performed in Georgia or incur expenses to Georgia vendors for property purchases and rentals.
Program Cap/Payroll Cap	<ul style="list-style-type: none"> \$5 million in 2018, \$10 million in 2019, and \$15 million in 2020–2022, sunsets 2023; No single taxpayer may claim more than 20% of program cap for any year/Payroll capped at \$500,000 for any individual or their loan out. 	
Use of Credit/Carry Forward	<ul style="list-style-type: none"> The credit may be used up to 100% of Georgia income tax liability; Excess may be used against employer withholding liability/Credits may be carried forward for up to 5 years. 	

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