



Instructions for Form IT-248

Claim for Empire State Film Production Credit

General information

Tax Law sections 24 and 606(gg) provide for tax credits for the film and television production industry. The Empire State film production credit (also referred to as the *film production credit*) is available to taxpayers subject to tax under Article 22 (personal income tax) or Article 9-A (general business corporations). Form IT-248 is for taxpayers subject to tax under Article 22. Those subject to tax under Article 9-A (including New York S corporations) should complete Form CT-248, *Claim for Empire State Film Production Credit*.

The amount of credit allowed for the current tax year is allocated by the New York State Governor's Office of Motion Picture & Television Development. **Submit a copy of your certificate** from this office for the credit allowed. **You are required to submit a separate Form IT-248 for each individual certificate** issued to you by the Governor's Office of Motion Picture & Television Development. **Failure to do so may delay the processing of your credit(s)**. You cannot claim the film production credit before the later of:

- the tax year the production of the qualified film is complete, or
- the tax year immediately following the allocation year assigned on your certificate.

For fiscal-year filers subject to the allocation year requirement, the credit is to be claimed in the next taxable year that starts after December 31 of the allocation year on the certificate.

The credit is based on the qualified production costs paid or incurred in the production of certain qualified films and television shows. For tax years beginning on or after January 1, 2015, and before January 1, 2026, there is an additional credit available equal to 10% of the wages or salaries paid to qualified individuals for services performed by those individuals in the production work on a qualified film in certain counties. If the amount of film production credit shown on your certificate of tax credit received from the New York State Governor's Office of Motion Picture & Television Development is at least \$1 million but less than \$5 million, the credit must be claimed over a two-year period. If the amount of the credit allocated is \$5 million or more, the credit must be claimed over a three-year period.

If the amount of the credit allowable for any tax year exceeds the tax for that year, the excess is treated as an overpayment to be credited or refunded. No interest will be paid on the refund.

If the film production credit is claimed for qualified production costs, no other income tax credit may be claimed for those costs.

For rules and regulations regarding the credit, contact the New York State Governor's Office of Motion Picture & Television Development at filmcredits@esd.ny.gov or call 212-803-2328.

Eligibility

After receiving a certificate of tax credit from the New York State Governor's Office of Motion Picture & Television Development, the following taxpayers, subject to tax under Article 22, are eligible to claim the film production credit by filing Form IT-248:

- individuals (including sole proprietors);
- fiduciaries of estates and trusts;
- partners in a partnership (including members of an LLC if the LLC is treated as a partnership for federal tax purposes);

- shareholders of a New York S corporation; **and**
- beneficiaries of an estate or trust.

Taxpayers subject to tax under Article 9-A must complete Form CT-248.

Line instructions

See the instructions for your tax return for the *Privacy notification* or if you need help contacting the Tax Department.

Individuals (including sole proprietors) and partnerships: Complete Part 1. If applicable, also complete Part 4.

A married couple in a business enterprise that made an IRC 761(f) election to file two federal Schedule C forms instead of a partnership return: If you file jointly, compute your credit amount as if you were filing one federal Schedule C for the business. Complete Part 1. If applicable, also complete Part 4.

Partners in a partnership, shareholders of a New York S corporation, and beneficiaries of an estate or trust: Complete Part 1, lines 3 through 7, Part 2, and if applicable, Part 4.

Fiduciaries: Complete Parts 1 and 3. An estate or trust that divides the credit among itself and its beneficiaries must submit Form IT-248 with Form IT-205, showing each beneficiary's share of the credit. If applicable, also complete Part 4.

Note: If more than one of the above applies to you, complete all appropriate parts on one Form IT-248.

Lines A and B – The Governor's Office of Motion Picture & Television Development must list an allocation year on your certificate of tax credit. Report your allocation year on line A. If you are a partner in a partnership, enter the allocation year assigned to the partnership on line B.

Part 1 – Computation of credit

Note: If completing Form IT-248 to claim only credits allowed in a prior year, skip lines 1 and 2.

Line 1 – Obtain this amount from the certificate of tax credit issued by the Governor's Office of Motion Picture & Television Development. Submit a copy of the certificate with Form IT-248.

Line 2 – If the amount on line 1 is **less** than \$1 million, enter the amount from line 1 on line 2.

If the amount on line 1 is at **least** \$1 million but **less** than \$5 million, complete Worksheet A.

If the amount on line 1 is at **least** \$5 million, complete Worksheet B.

Note: Due to this limitation, it is the entity's responsibility to ensure that the correct shareholder, partner, beneficiary, or member receives the correct amount of the credit to be reported in succeeding tax years.

Worksheet A

- 1 Enter the amount from Form IT-248, line 1..... 1 _____
- 2 Divide line 1 by two (see instructions below) 2 _____

This is the amount of credit that may be claimed for this tax year and for the 2021 tax year.

Worksheet A instructions

Individuals: Enter the amount from Worksheet A, line 2, on Form IT-248, line 2, and on Worksheet C, line 1.

Partnerships: Enter the amount from Worksheet A, line 2, on Form IT-248, lines 2 and 9 (see *Lines 9 and 10*).

Fiduciaries: Include the line 2 amount on the total line of Part 3. Provide your beneficiaries with their share of the line 2 amount to claim on their 2020 and 2021 tax returns (see *Lines 9 and 10*).

Worksheet B

- 1 Enter the amount from Form IT-248, line 1..... 1 _____
- 2 Divide line 1 by three (see instructions below) 2 _____

This is the amount of credit that may be claimed for this tax year and for each of the next two tax years.

Worksheet B instructions

Individuals: Enter the amount from Worksheet B, line 2, on Form IT-248, lines 2 and 10, and on Worksheet C, line 1.

Partnerships: Enter the amount from Worksheet B, line 2, on Form IT-248, lines 2, 9, and 10 (see *Lines 9 and 10*).

Fiduciaries: Include the line 2 amount on the total line of Part 3. Provide your beneficiaries with their share of the line 2 amount to claim on their 2020, 2021, and 2022 tax returns (see *Lines 9 and 10*).

Line 4

Individuals: Include the amount from your 2019 Form IT-248, line 9.

Partners, beneficiaries, and shareholders: Include the amount from your 2019 Form IT-248, line 9.

Partnerships: Do not make an entry on line 4. Credit carryovers from partnerships, S corporations, estates and trusts that were limited in prior years are claimed by partners, shareholders, and beneficiaries of those entities for the year in which the credit certificate was issued.

Fiduciaries: Only include on this line the fiduciary portion of the credit from prior years.

Part 2 – Partnership, New York S corporation, and estate and trust information

Enter the appropriate information for each partnership, S corporation, or estate or trust from which you received a share of the Empire State film production credit. If you need more space, submit a separate schedule (be sure to include your name and taxpayer identification number). Report the current year amount in column D. **Partners:** find your current year amount on Form IT-204-IP, line 51, code 248.

Also report any 2021 and 2022 amounts on lines 9 and 10.

Partners: Find your 2021 and 2022 amounts on Form IT-204-IP, line 51, codes B48 and C48 respectively.

Part 3 – Beneficiary’s and fiduciary’s share of Empire State film production credit

If an estate or trust allocates or assigns the credit to its beneficiaries, base the division on each beneficiary’s proportionate share of the income of the estate or trust. Include both the line 2 and line 3 amounts in the total to be allocated.

Part 4 – Amount of credit to be claimed in succeeding tax years

Complete this part if the amount on line 1 is at least \$1 million or if you had an amount on your 2019 Form IT-248, line 10.

Lines 9 and 10

Individuals: Complete Worksheet C to compute the amount of credit to be claimed on your 2021 return.

Fiduciaries: Do not use Worksheet C. Enter the fiduciary portion of the credit to be claimed for 2021 on line 9, and for 2022 on line 10.

Partnerships: Do not use Worksheet C. Enter the amount from line 9 and code B48 on Form IT-204, line 147. Enter the amount from line 10 and code C48 on Form IT-204, line 147.

Partners, beneficiaries, and shareholders: Do not use Worksheet C. Include on line 9 the amount of credit reported to you by your partnership, estate, trust, or S corporation to be claimed for 2021. **Partners:** Find this amount on Form IT-204-IP, line 51, code B48.

Include on line 10 the amount of credit reported to you by your partnership, estate, trust, or S corporation to be claimed for 2022. **Partners:** Find this amount on Form IT-204-IP, line 51, code C48.

Worksheet C

- 1 Enter the amount (if any) from Worksheet A, line 2, or Worksheet B, line 2 1 _____
- 2 Enter the amount (if any) from your 2019 Form IT-248, line 10 2 _____
- 3 Credit to be claimed for 2021 (add lines 1 and 2; enter here and on Form IT-248, line 9) 3 _____