



The Positives of Georgia's Film and Entertainment Tax Credit Program

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Georgia, often referred to as the “Hollywood of the South,” has become a major hub for the film and entertainment industry in since 2008. This transformation can largely be attributed to the Georgia Film and Entertainment Tax Credit Program, a state initiative designed to attract film, television, and digital entertainment productions to the state that will generate jobs and promote Georgia on an international stage. Launched in 2008, this program has been instrumental in establishing Georgia as one of the top production destinations in the world. This article explores the key components, impacts, and future prospects of Georgia's Tax Credit Program.

Components of the Program

The program offers a tax credit of up to 30% of the qualified production expenditures incurred in the state. This includes costs such as salaries for Georgia residents, set construction, and other direct production expenses. To qualify, productions must spend a minimum of \$500,000 in Georgia, which can be met through a single production or a series of projects aggregated over a calendar year.

1. Base Tax Credit: Productions that spend at least \$500,000 in Georgia are eligible for a 20% tax credit.
2. Additional Credit: An extra 10% credit is available for productions that include a promotional Georgia logo in the end credits and a link to the state's tourism website on the project's promotional website.

The Economic Impact

The economic benefits have been substantial. Since its inception, the program has generated billions of dollars in economic activity and created tens of thousands of jobs. In 2023 alone, the film and television industry spent a record \$4.1 billion in the state.

1. Job Creation: The influx of productions has led to significant job creation, not just within the industry but also in ancillary sectors such as hospitality, transportation, and construction. Local businesses, from caterers to lumber suppliers, have seen increased demand due to the steady stream of film and TV projects.

2. Infrastructure Development: To accommodate the growing number of productions, Georgia has seen substantial investment in infrastructure, including sound stages and post-production facilities. This has not only supported current projects but has also made the state more attractive for future investments. As such Georgia is set to surpass California this year in sound stage square footage and number of sound stages.

3. Tourism Boost: The success of popular films and TV shows shot in Georgia, such as "The Walking Dead" and the Marvel Cinematic Universe films, has also bolstered tourism. Fans frequently visit filming locations, contributing to the local economy. Trilith Studios, a production studio in Fayetteville County, has built an entire town around its studio. Due to the local growth seeded by the studio the US Soccer teams national training center has announced its headquarters will be in Fayetteville County. There are many other nearby announcements such as The Francis Ford Coppola Group's new hotel concept to Peachtree City, just outside of Atlanta. The [All-Movie Hotel](#) promises an immersive cinematic experience for its guests.

4. Tax Mitigation – Many of the generated tax credits are sold and transferred to taxpayers to help offset their income taxes. This incentive is available for all income tax incurred by individuals and corporations. When deciding on a location to live or establish corporate offices, the opportunity to reduce taxes is a factor.

Cultural Enrichment

Beyond economic benefits, the program is enriching the cultural landscape. The program has provided local filmmakers and artists with more opportunities to work on high-profile projects and has fostered a vibrant creative community. Moreover, it has positioned Georgia as a cultural leader, showcasing the state's diverse locations and talent to a global audience. This has leaked over to music and other forms of art.

Future Prospects

The future of the program looks promising, with continued interest from major studios and independent filmmakers alike. To maintain its competitive edge, Georgia may need to consider updates to the program, such as enhancing workforce development initiatives and addressing any emerging industry trends. Some critics and legislators have questioned the program, but a recent study reports that it provides a justifiable economic benefit. Thus, the industry is fighting to protect meddling of the program that might jeopardize the efforts over the last 16 years.

The Tax Credit Program has indeed transformed the state into a major player in the global entertainment industry. By offering substantial tax incentives, Georgia has attracted a plethora of film and TV productions, resulting in significant economic gains and cultural enrichment. While the program faces some challenges, its overall success underscores the potential for strategic tax incentives to drive industry growth and regional development.

Steve Rothschild is a partner with [The Strategic Group of Companies \(TSG\)](#).

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