Internal Revenue Service, Treasury

§ 1.181–1T Deduction for qualified film and television production costs (temporary).

(a) Deduction.—(1) In general. The owner (as defined in paragraph (a)(2) of this section) of any film or television production (as defined in §1.181–3T(b)) that the owner reasonably expects will be, upon completion, a qualified film or television production (as defined in paragraph (a)(3) of this section) will not be in excess of the production cost limit of paragraph (b) of this section may elect to treat all production costs incurred by the owner as an expense that is deductible in the taxable year in which the costs are paid (in the case of a taxpayer who uses

(b) Limit on amount of production costs and amount of deduction.

(1) In general.
(2) Higher limit for productions in certain areas.
(3) Significantly incurred.
(4) Animated film and television productions.
(5) Productions incorporating both live action and animation.

(c) No other depreciation or amortization deduction allowed.

§ 1.181–2T Election (temporary).

(a) Time and manner of making election.
(b) Election by entity.
(c) Information required.
(1) Initial election.
(2) Subsequent taxable years.