



renegadepictures

## **Important Announcement**

### **Tax incentive for Investment in Motion Pictures**

As of 2004 the Federal GOVERNMENT AMMENDED THE TAX CODE TO HELP INDEPENDENT FILMMAKERS.

Bill HR 4520 (2004) allows us to offer a great tax incentive if you invest in one of our feature film projects. The film budget must be below \$15,000,000. Your investment is 100% tax deductible. This is a code section 181 special election.

The investment can be taken as a deduction the same year that the money is spent making the film.

Example:

If you invest \$100,000 in a \$500,000 budgeted film once the money is spent in the production of that film you can take a \$100,000 off your income tax. It is that simple. If the production spans two years then the portion spent in year one applies to that years taxes and the portion spent in year two applies to those.

Don't pay Uncle Sam invest with Renegade Pictures, LLC.

Future projects include:

rfi

and

- T h e K i n g d o m P r o j e c t -

# SUMMARY

## **H.R.4520**

**Title:** To amend the Internal Revenue Code of 1986 to remove impediments in such Code and make our manufacturing, service, and high-technology businesses and workers more competitive and productive both at home and abroad.

**Sponsor:** [Rep Thomas, William M.](#) [CA-22] (introduced 6/4/2004)  
[Cosponsors](#) (40)

### **Related Bills:**

[H.RES.681](#), [H.RES.830](#), [H.R.2896](#), [H.R.5395](#), [S.1637](#), [S.3019](#)

**Latest Major Action:** Became Public Law No: 108-357 [GPO:  
[Text](#), [PDF](#)]

**House Reports:** [108-548](#) Part 1; Latest Conference Report: [108-755](#)  
(in Congressional Record [H8411-8640](#))

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## **SUMMARY AS OF:**

10/22/2004--Public Law. (There are 5 [other summaries](#))

Sec. 244) Allows an election until 2009 to expense qualified film or television production costs up to \$15 million (\$20 million for costs incurred in certain low-income or distressed areas).

Defines "qualified production activities income" as the excess (if any) of domestic production gross receipts over the sum of the cost of goods sold allocable to such receipts, other deductions, expenses, or losses directly allocable to such receipts, and a ratable portion of other deductions, expenses, and losses that are not directly allocable to such receipts or another class of income. Includes within the definition of domestic production gross receipts qualifying production property (i.e., tangible personal property, any computer software, and certain sound recordings), any qualified film produced by the taxpayer, electricity, natural gas, or potable water produced by the taxpayer in the United States, construction performed in the United States, or engineering or architectural services for projects in the United States, but excludes the sale of certain food and beverages sold at retail and the transmission or distribution of electricity, natural gas, or potable water.