

**RULES
OF THE
TENNESSEE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
FILM, ENTERTAINMENT, AND MUSIC COMMISSION**

**CHAPTER 0500-07-01
TENNESSEE FILM, ENTERTAINMENT, AND MUSIC
COMMISSION PRODUCTION INCENTIVE**

TABLE OF CONTENTS

0500-07-01-.01	Definitions	0500-07-01-.02	Procedures and Administration
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0500-07-01-.01 DEFINITIONS.

- (1) "ECD" means the Tennessee Department of Economic and Community Development.
- (2) "TFEMC" means the Tennessee Film, Entertainment, and Music Commission.
- (3) The "TFEMC Production Incentive" means the TFEMC-administered grant program by which moneys in the Tennessee Film/Television Incentive Fund are appropriated and expended to provide production incentive grants pursuant to T.C.A. § 4-3-4903.

Authority: T.C.A. §§ 4-3-702(c), 4-3-4901 et seq., and 4-3-4903(i). **Administrative History:** Original rule filed August 12, 2013; effective January 29, 2014.

0500-07-01-.02 PROCEDURES AND ADMINISTRATION.

- (1) The award of a TFEMC Production Incentive grant must be approved by the ECD Grants and Loans Committee.
- (2) Qualified Tennessee expenditures made prior to the execution of a grant contract between the grant recipient and ECD will not count towards the grant recipient's incentive award per T.C.A. § 4-3-4903(c)(2).
- (3) Qualified Tennessee expenditures must be determined and reported by an independent Certified Public Accountant ("CPA") retained by the grant recipient and in accordance with incentive guidelines promulgated by TFEMC. The CPA must be licensed and have completed a successful American Institute of Certified Public Accountants ("AICPA") Peer Review by an AICPA-approved qualified peer reviewer in the most recent reporting cycle.
- (4) At the sole discretion of ECD, qualified Tennessee expenditures reported by the grant recipient may be audited by a CPA employed by or retained on behalf of the State of Tennessee. The results of the audit may be used to adjust the amount of qualified Tennessee expenditures eligible for reimbursement.
- (5) The script and resulting production must not be obscene in nature as defined by T.C.A. § 39-17-901(10).
- (6) The resulting production must provide production credits to the Governor; the State of Tennessee; the Tennessee Film, Entertainment, and Music Commission; and the Department of Economic and Community Development; as well as a "Filmed in Tennessee" logo acknowledging that the production was filmed in the State of Tennessee.

Authority: T.C.A. §§ 4-3-702(c), 4-3-4901 et seq., and 4-3-4903(i). **Administrative History:** Original rule filed August 12, 2013; effective January 29, 2014.