

Massachusetts Office of Travel & Tourism
LIVE THEATER TAX CREDIT PILOT

Frequently Asked Questions
Updated 11/14/25

GENERAL QUESTIONS

Q: Will the Live Theater Tax Credit Pilot Program will be offered annually, or is this a one-time application?

A: 2025 is the first year of a 5-year program. MOTT anticipates offering the tax credit on an annual basis within that time frame. The total amount of Live Theater Tax Credits available is \$7,000,000 per year.

ELIGIBILITY

Q: Is this program open to nonprofit theater organizations with 501c3 tax-exempt status?

A: Yes.

Q: Can a nonprofit that is staging a production, but doesn't own the venue, apply?

A: Yes, if the production is being staged at a qualified production facility, you may apply. The applicant does not need to own the venue.

Q: Can a company apply for a tax credit for a production that ran *last fiscal year (July 1, 2024 – June 30, 2025)*?

A: No. The first performance date of an Eligible Theater Production must occur no earlier than July 1st, 2025.

Q: Can an Eligible Theater Company submit an application for a theater production that will occur in 2026?

A: Yes. However, productions scheduled for the year in which the application is received may be prioritized.

Q: Is there a minimum production budget that must be reached to qualify for a potential tax credit?

A: The applicant must incur at least \$100,000 of Eligible Production Costs in Massachusetts for the production.

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Q: Does this tax credit only apply to theater productions, or does it also apply to live concerts or musical performances?

A: To be eligible, the production must be a live-stage musical theater, dance or theatrical production that uses a written script and is performed multiple times a week for at least one week.

Q: Can multiple productions that constitute a “production season” count as one production to meet the spending threshold?

A: No. The \$100,000 minimum is for singular productions.

Q: Can eligibility be expanded to theatres smaller than 175 seats?

A: The 175-seating capacity threshold is established by the Live Theater Tax Credit authorizing statute (see the definition of “Qualified Production Facility” in M.G.L. c. 62 Section 6(ff)(1) and c. 63 Section 38QQ(a)), so there is no opportunity at this time to reduce that amount.

APPLICATIONS

Q: Where can I apply for the tax credit?

A: Using our Submittable.com platform, you can find the application [here](#).

Q: Is a nonprofit entity applying for tax credits required to provide a Department of Revenue (“DOR”) Certificate of Good Standing or Corporate Tax Lien Waiver if we are not registered with DOR?

A: Yes. Nonprofits applying for the Live Theater Tax Credit should register with DOR using [MassTaxConnect](#). Nonprofits do not need to register for a specific tax type if it is not applicable. Once the registration is approved, request a certificate via the following link - <https://www.mass.gov/info-details/faqs-dor-certificate-of-good-standing-or-corporate-tax-lien-waiver>.

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Q: Can you apply for more than one performance in a calendar year?

A: No, MOTT will not issue an initial certificate to an applicant for more than one Eligible Theater Production per year or to multiple applicants for the same Eligible Theater Production.

ELIGIBLE PRODUCTION COSTS & COST ACCOUNTING REPORTS

Q: What types of expenditures are eligible for Live Theater Tax Credits?

A: Eligible applicants may receive a tax credit award based upon certain Eligible Production Costs the applicant incurs in Massachusetts in an amount up to (not to exceed) the sum of:

- 35% of payroll costs
- 25% of production and performance expenditures
- 25% of transportation costs

Please see the [2025 Massachusetts Live Theater Tax Credit Program Request for Proposals](#) for further details of what qualified as an Eligible Production Costs. Please be advised, applicants will need to provide a detailed estimate of these costs in the application, submitted as a “[Massachusetts live Theater Tax Credit Production Budget](#).”

Q: Do facility expenses count as eligible costs? For example, a portion of electricity costs for the weeks of production (rehearsals and performances) and cleaning expenses for those weeks, as well?

A: Yes, facility expenses qualify as operating costs.

Q: Do full-time staff count toward payroll costs?

A: Yes, however, payroll expenditures must be directly attributable to the Eligible Theater Production and are limited to the first \$100,000 of salaries, wages, fees and other compensation to each employee from sources within the Commonwealth.

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Q: How should recipients track Payroll Costs for employees, particularly those employees that work on multiple different theater productions at the same time?

A: Recipients must track Payroll Costs (See [400 CMR 10.02](#) for definition of “Payroll Costs”) to ensure they are:

1. Actually incurred and paid in Massachusetts,
2. Directly attributable to the Eligible Theater Production, and
3. Supported by verifiable and auditable documentation.

Employers must allocate Payroll Costs based on actual time records or a reasonable, documented methodology supported by documentation such as the following:

- Employee time sheets
- Time certifications
- Detailed general ledger reports
- Payroll distribution reports

Estimated or retrospective allocations are not permitted.

Generally, employees who charge their time to both the Eligible Theater Production and other projects or funding sources should complete time sheets that include the following information:

- Number of hours worked in each program for each day
- Total number of hours worked during the payroll period
- Employee’s signature
- Signature of employee’s supervisor

Employees who charge 100% of their time to the Eligible Theater Production can choose to fill out a time sheet as described above or complete a time certification that states the employee worked 100% of their time on the Eligible Theater Production, signed by both the employee and the employee’s supervisor.

These records should be provided to the Independent Certified Public Accountant as part of their review and report for the Cost Accounting Report.

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TAX CREDIT AWARDS

Q: If we are not awarded a credit, will we be notified?

A: Yes. We will notify all applicants in writing whether they are awarded a tax credit or not.

Q: How quickly will we receive the credit?

A: Once the Cost Accounting Report and Economic Impact Report is reviewed and approved, MOTT will issue a Final Certificate authorizing the recipient to claim the tax credit.

CERTIFICATES

Q: Will final certificates and eligibility amounts be issued on a rolling basis (as cost accounting, etc. comes in), or will all those decisions be made at the end of the program year, after all reporting is done?

A: Yes. Once the final performance is completed, recipients will have 6 months to submit a Cost Accounting Report and Economic Impact Report. Upon review and approval, MOTT will issue a Final Certificate authorizing the recipient to claim the tax credit.

Q: How long do Pre-Broadway Productions and Pre-Off Broadway Productions have to provide evidence that the production is scheduled for the City of New York's Broadway or Off-Broadway Theater District?

A: Pre-Broadway Productions and Pre-Off Broadway Productions have 24 months following its presentation in Massachusetts to provide evidence to MOTT that the production is scheduled for the City of New York's Broadway or Off-Broadway theater district, as applicable. However, the Eligible Theater Company must still submit an Application for Final Certificate, Economic Impact Report and Cost Accounting Report within 6 months following the conclusion of the theater production in Massachusetts. A Final Certificate will not be issued, and credits are not eligible to claim, until all documentation is received and approved by MOTT, including evidence the production is scheduled for the Broadway or Off-Broadway theater district.

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ECONOMIC IMPACT REPORTS

Q: When calculating total tickets sold, should we include complimentary tickets issued?

A: Yes, this information can be included in the “Total Tickets Sold” response under Production Details. However, please differentiate between the number of complimentary tickets issued and tickets sold.

Q: When calculating concession and merchandise sales, should we include indirect/third party sales collected at the theater venue?

A: Yes, if that information is available, please include it in the Economic Impact Report under Total Sales and calculate the applicable sales tax.

Q: Should we include information about third-party staffing at the theater venue, if available?

A: Yes, you can include information about third-party staffing in the Economic Impact Report, if available, as the report is designed to measure the direct and indirect economic impacts of the theater production. However, Payroll Costs for these jobs may not be included for purposes of calculating the tax credit award.

Q: Is there a minimum survey response rate required for the Economic Impact Report?

A: For the inaugural round of the Live Theater Tax Credit program, MOTT ultimately decided not to require a minimum survey response rate. However, we fully expect recipients to make all reasonable efforts to obtain as many survey responses as possible. The information from those surveys is critically important for the recipient’s Economic Impact Report and to understand the effectiveness of this program. If a recipient reports they received an unreasonably low survey response rate, MOTT reserves the right to require additional information before determining whether to issue a Final Certificate about the efforts such recipient made to obtain survey results.

You can find more information on our [Live Theater Tax Credit](#) webpage.

For additional questions, please contact us at the following email address:
livetheatercredit@mass.gov