

Best Business Practices for Montana Filmmakers

They don't call it "show business" for nothing!



MONTANA DEPARTMENT OF
COMMERCE

Montana Department of Commerce Film Office

Mission and Purpose

Our mission is to market Montana as a business destination for film production companies and to ensure the state is film friendly.

Our purpose is to build and support partnerships with filmmakers by promoting the creation and expansion of Montana film industry jobs and serving as advocates for Montana film industry professionals.

We strive to enhance Montana's economy by:

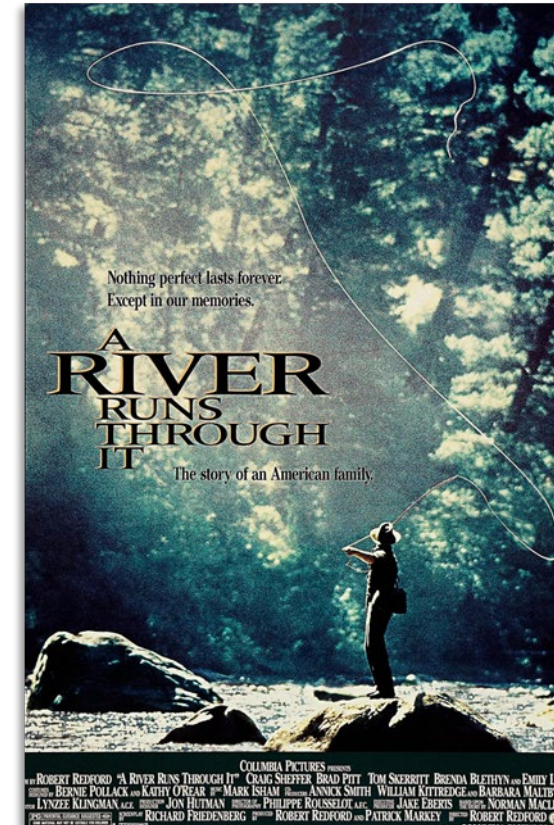
- Expanding film production in the state
- Advertising Montana as open for business
- Increasing job opportunities
- Promoting the growth of small businesses
- Promoting tourism



Economic Impact of Montana's Filmmaking Industry

Production Data 2022 – 2024

- Number of Productions: 167
- Total Local Direct Spending: \$149.9 Million
- Total Direct Spending: \$334.0 Million
- Total Local Economic Impact: \$312.2 Million
- Total Jobs: 1,320 FTE
- Employee Compensation: \$95.8 Million
- Total Tax Revenue \$22.2 Million



Best Business Practices

Readiness Checklist

- ✓ Is a formally organized business
- ✓ Has received a tax identification number from the IRS
- ✓ Has completed an IRS Form W-9
- ✓ Is registered with the Montana Secretary of State's Office or will immediately register should an award be made
- ✓ Has business/commercial General Liability policy or quote
- ✓ Has Standard Production Liability Insurance policy or quote
- ✓ Is able to demonstrate compliance with the Montana Workers Compensation Act
- ✓ Has a business bank account



Organization Structure

Common Business Structures

- Sole Proprietor (individual)
- General Partnership
- Limited Liability Partnership (LLP)
- Limited Liability Company (LLC)
- Corporation (C corp or S corp or Nonprofit)

Choose carefully:

Business structure affects the owner's/owners' taxes, employee considerations, the ability to raise money/fund projects, required filing and registration, personal liability and more.



Business structure	Ownership	Liability	Taxes
Sole proprietorship	One person	Unlimited personal liability	Self-employment tax Personal tax
Partnerships	Two or more people	Unlimited personal liability unless structured as a limited partnership	Self-employment tax (except for limited partners) Personal tax
Limited liability company (LLC)	One or more people	Owners are not personally liable	Self-employment tax Personal tax or corporate tax
Corporation - C corp	One or more people	Owners are not personally liable	Corporate tax
Corporation - S corp	<ul style="list-style-type: none"> •100 people or fewer •certain trusts and estates •no partnerships, corporations, or non-resident aliens 	Owners are not personally liable	Personal tax
Corporation - benefit corporation	One or more people	Owners are not personally liable	Corporate tax
Corporation - Nonprofit	One or more people	Owners are not personally liable	Tax-exempt, but corporate profits can't be distributed



COMMERCE

Register with the Montana Secretary of State's Office

Register the Assumed Business Name

- Doing business as (DBA) doesn't give legal protection, but it might be legally required
- Entity name protects you at a state level
- Trademark protects you at a federal level
- Domain name protects your business website address

Register the Business

- Get a registered agent for all businesses other than Sole Proprietor (individual business owner)
- A registered agent receives official papers and legal documents on behalf of your company
- Many business owners prefer to use a registered agent service rather than take on this role themselves



Federal Tax Identification Number

Obtain a Federal Tax ID

- An Employer Identification Number (EIN) is a business's unique number issued by the IRS that identifies the business.
- Apply online IRS Form SS-4
- Receive verification/confirmation letter
IRS Notice CP 575

IRS DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Date of this notice: 08-30-2019
Employer Identification Number:
12-3456789
Form: SS-4
Number of this notice: CP 575 A
For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 12-3456789. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 941	10/31/2019
Form 940	01/31/2019
Form 1120	04/15/2019

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 IRB 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

IMPORTANT INFORMATION FOR S CORPORATION ELECTION:

If you intend to elect to file your return as a small business corporation, an election to file a Form 1120-S must be made within certain timeframes and the corporation must meet certain tests. All of this information is included in the instructions for Form 2553, *Election by a Small Business Corporation*.



IRS Form W-9

- What is the purpose of the form?
- Who needs to complete?
- Who requests the form and how it is used?
- Extremely important to have current, correct and complete W-9 on file with Montana Department of Commerce.

Common errors:

- Form is outdated; must use current form for current year
- Line 1 and Line 2 not completed correctly – must match the business structure
- Line 3a and 3b not correct
- Missing signature
- Signature date is older than 12 months



Business Insurance

Requirements

- General Liability – commercial policy
- Standard Production Insurance – Island Marine policy
- Workers' Compensation Act compliance

Are you exempt for the Montana Workers Compensation Act requiring coverage?

How does each business comply with the Montana Workers Compensation Act?

- Sole Proprietor – may obtain individual coverage or may apply and receive an Independent Contractors Exemption Certificate from MTDLI
- Officer or Member Owner of a corporation or LLC?



State and Federal Licenses

- Filmmakers may need specific permits to access various jurisdictions for commercial filmmaking: Bureau of Land Management, Montana Fish Wildlife & Parks, National Park Service, etc. We can assist; information is available online.
- Drone pilot license



Applying for the Big Sky Film Grant

Best Practices

- Review the application guidelines and administration manual posted online.
- Gather required information and documents; save in easily accessible folder on desktop; label documents appropriately, i.e. “Budget,” “Registration with State of Montana,” “General Liability Policy,” “Script,” “Crew List.”
- Request amount award based on proposed Montana expenses; do not ask for more.
- Budget should align with details of the production.
- Financial plan should demonstrate project is fully funded and not solely dependent upon a BSFG award.



BSFG Best Practices

- Think like a member of the review committee: Present information in concise, cohesive and complete application.
- Complete ALL fields unless marked optional.
- Provide explanation or attachment to support non-conformity, i.e. a documentary may not have a full script; provide an outline instead.
- Apply only in the appropriate category: resident or non-resident.
- Fully leverage all special considerations that apply; they will likely impact and elevate your application.
- If claiming 30% or more of the crew are Montana residents, you must list the proposed position and city in Montana where they reside.
- Understand what “accreditation” means and how to demonstrate it on the application.
- Do not wait until the last week, days, minutes to start your application!



Big Sky Film Grant Online Application

Grants and Loans Portal

- Sign in to the Grants and Loans Portal located on the Department of Commerce home page.
- Login or Create OKTA account for the BUSINESS; this should be associated with the business email address and separate from personal OKTA account.
- Select the appropriate grant application. There are four BSFG categories; select only one.
- Complete all application fields.
- Save draft of application.
- Return to edit as needed.
- Submit final application by deadline.



https://montana.servicenowservices.com/mtgl

Department of Commerce | Mo x Grants and Loans Portal - MT G x +

montana.servicenowservices.com/mtgl

Montana.gov Official State Website

Return to my.mt.gov Search MT.gov

MT Grants + Loans Online Services Log in







User Registration

Good morning,
Welcome to Montana Grants + Loans

Big Sky Film Grant

Give Feedback

Popular Grant Programs

- 
[HOME Program - Home Buyer Assistance](#)
- 
[Montana State Small Business Credit Initiative 2.0 Loan Participation Program \(MT SSBCI 2.0 LPP\) - Recycled Funds](#)
- 
[Montana Trade Show Assistance Program \(TSAP\)](#)
- 
[Production Application: MEDIA Tax Credit](#)
- 
[Tribal Tourism Small Business Grant](#)
- 
[Post-Production Application: MEDIA Tax Credit](#)



Find Services

Keyword Search

BSFG

+ Application Status

+ Programs

+ Funding Type

+ Agencies

Sort by field

--Select a Sort Fiel... ↑↓

Clear All Filters

Share Opportunities

[BSFG - Resident Short Form Content](#)

Application Status: No Longer Accepting Applications

Funding type: Grant

Max Award: \$50,000.00

Application open date: 02-15-2024

Expiration date: 04-11-2024

Description: Awarded to a Montana-based production of a short-form content film project that is produced by a Mon...

[Read more](#)

[BSFG - Resident Filmmaker-Feature Film & TV](#)

Application Status: No Longer Accepting Applications

Funding type: Grant

Max Award: \$100,000.00

Application open date: 02-15-2024

Expiration date: 04-11-2024

Description: Awarded to a Montana-based production of a feature-length project that is produced by a Montana resi...

[Read more](#)

[BSFG - Short Form Content](#)

Application Status: No Longer Accepting Applications

Funding type: Grant

Max Award: \$50,000.00

Application open date: 02-15-2024

Expiration date: 04-11-2024

Description: Awarded to a Montana-based production of a short-form content film project. Examples include a short...

[Read more](#)

[BSFG - Feature Film & TV](#)

Application Status: No Longer Accepting Applications

Funding type: Grant

Max Award: \$1,500,000.00

Application open date: 02-15-2024

Expiration date: 04-11-2024

Description: Awarded to a Montana-based feature-length film or TV series that shoots at least 50% of the Principa...

[Read more](#)

Showing results 1 - 4 of 4

Give Feedback



https://montana.servicenowservices.com/mtgl

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MT Grants + Loans Online Services Log in

User Registration

Home > Register New User Search

Register New User

Register for a new account

You will receive an email from donotreply@mtgov on how to complete your account setup after you submit this registration. Use the login button at the top of the portal once you complete your account setup.

*Email
email@example.com

*First Name
John

*Last Name
Doe

Primary phone
+14061234567

*Please select an option that describes your purpose here
I am representing a business

Has anyone else in your business signed up before?
No

Required information
Email First Name Last Name Business Name

Submit

https://montana.servicenowservices.com/mtgl?id=sc_cat_item_public&sys_id=6f9cd44c1bf9815849e0ed3ce54bcbe0

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MT Grants + Loans Log in

User Registration

login mt.gov

Citizen Login State Login

Have questions?

Site Maintained By
State Information Technology Services Division
PO Box 200113
Helena, MT 59620-0113
[Contact Us](#)
[Cookies and Google Analytics](#)



Resources

- IRS Small Business and Self-Employed Tax Center
<https://www.irs.gov/businesses/small-businesses-self-employed>
- Montana Department of Commerce Film Office
<https://commerce.mt.gov/Business/Programs-and-Services/Montana-Film-Office/>
- Montana Department of Commerce Small Business Development Center (SBDC)
<https://commerce.mt.gov/Business/Programs-and-Services/Small-Business-Development-Center/>
- Montana Department of Labor and Industry
<https://erd.dli.mt.gov/work-comp-regulations/>
- Montana Grants & Loans Portal
<https://montana.servicenowservices.com/mtgl>
- Montana Secretary of State's Office Business Services
<https://biz.sosmt.gov/>
- SBDC Business Startup Checklist
<https://commerce.mt.gov/Business/Programs-and-Services/Small-Business-Development-Center/services/Business-Start-Up-Checklist>
- OKTA single sign-on portal for the State of Montana
<https://okta.mt.gov/>



Montana Department of Commerce Film Office

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