



# MEDIA CREDIT TRANSFER

MCT  
V1 12/2020

**Transferor**

Name		FEIN/SSN										
Address												
City				State				ZIP Code				

**Transferee**

Name		FEIN/SSN										
Address												
City				State				ZIP Code				

**Unique Credit Reference Number (UCRN)**

The UCRN is issued by the Department of Revenue to the production company that generated the credit.

**MEDIA Credit Transfer**

Transferor's Total Credit Balance Before the Transfer	<input type="text"/>
Amount of Credit Transferred to Transferee	<input type="text"/>
Transferor's Total Credit Balance After the Transfer	<input type="text"/>

**Transfer Fee**

The transfer fee is equal to 2% of the value of the credit transferred.

Please remit payment to the following address:

Montana Department of Revenue  
Attn: MEDIA Credit Transfer Fee  
PO Box 5835  
Helena, MT 59604-5835

Transferor agrees to make a sale or transfer of the Montana MEDIA credit and is notifying the Department of Revenue of this election.

Transferee understands and acknowledges that the Department of Revenue may recapture the media credit if it determines that the transferor does not have rights to the media credit. The transferee's recourse is against the transferor.

Transferor  
Signature \_\_\_\_\_

Transferee  
Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Print Name \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

# MEDIA Credit Transfer Form Instructions

**What is the purpose of Form MCT?** Form MCT must be completed when there is a transfer of the media credit from a transferor to a transferee. It serves as notification to the Department of Revenue that media credit has been transferred.

**Who is a transferor?** A transferor is an individual who is selling the media credit to a transferee. It may be the production company that generated the credit or an individual who previously purchased the credit and is re-selling the credit. The transferor is required to fill out the information located under the transferor section of Form MCT. The transferor may be a person, business, trust, or any other type of individual.

**Who is a transferee?** A transferee is an individual who is purchasing a media credit from a transferor. A transferee is required to fill out the information located under the transferee section of Form MCT. A transferee may be a person, business, trust, or any other type of individual, that is purchasing a credit.

**What is the UCRN?** The Unique Credit Reference Number (UCRN) is issued by the Department of Revenue to a production company upon approval and validation of the media credit. The UCRN must be provided under various circumstances such as, for example, when transferring the media credit, claiming the media credit on an income tax return, and opening a loan-out withholding account.

**If a transferor is the owner of multiple media credits, how does the transferor determine its total credit balance, amount of credit transferred, and total credit balance remaining after each transfer?**

The owner of multiple media credits will need to track its media credit balance that is associated with each UCRN after every transfer. For example, a production company is the owner of two distinct media credits with the following UCRNs: UCRN 20-Post-10-002-2021-2025 and UCRN 20-Post-009-2022-2026. Each UCRN has a credit balance of \$100,000. The production company transfers \$5,000 of its media credit associated with UCRN 20-Post-10-002-2021-2025. For purposes of filling out Form MCT, the total credit balance is \$100,000, the amount transferred is \$5,000, and the credit balance remaining after the transfer is \$95,000. If the production company would like to transfer media credits associated with its other UCRN 20-Post-009-2022-2026 to the same transferee, then it must complete a separate Form MCT for each transfer.

**What if the Department of Revenue determines that the transferor did not have rights to the media credit?**

The Department of Revenue may disallow a credit if it determines that the transferor did not have rights to the media credit. The transferee's recourse is against the transferor and not the Department of Revenue.

**How many times can the media credit be transferred?**

The media credit can only be transferred once per calendar year. For example, if a media credit is transferred on December 20, 2021, the credit may be transferred as early as January 1, 2022.

**If a pass-through entity passes the media credit to its owners, does this event constitute a transfer requiring Form MCT and the transfer fee?** The flow-through of the media credit from a partnership to its owners does not constitute a transfer and, as such, the Form MCT and two percent fee is not required. Owners may subsequently transfer the media credit or claim the media credit on their individual income tax return using Form Media-Claim.

**Is there a minimum value when the media credit is transferred?** Yes, the minimum value of transfer is 85% of the value of the media credit being transferred. For example, if \$10,000 of the media credit is being transferred, then the minimum amount a transferee may pay for the media credit is \$8,500 ( $\$10,000 \times 85\%$ ).

**How does the five year carry forward apply when a media credit is transferred?** The media credit may be carried forward for five years from the date of issuance. A media credit transfer does not extend the carry forward period. For example, if the media credit has been issued to a production company for tax year 2021, the credit may be carried forward until tax year 2025. If the credit is transferred in 2024, then the credit may still only be carried forward to 2025.

**How do I pay the two percent fee?** The fee must be remitted by check to the Department of Revenue within 30 days of the transfer. Failure to do so renders the transfer invalid and the transferee may not claim the credit.

**Who is responsible for submitting this form and paying the two percent fee to the Department of Revenue?**

The transferor is responsible for submitting Form MCT and remitting the two percent transfer fee.

**Where do I submit Form MCT and two percent fee?**

Please make your check(s) payable to Montana Department of Revenue and file with your Form MCT to:

Montana Department of Revenue  
Attn: Media Credit Transfer Fee  
PO Box 5835  
Helena, MT 59604-6642

**Questions?** Call us at (406) 444-6900, or Montana Relay at 711 for the hearing impaired.