

**§ 180. Expenditures by farmers for fertilizer, etc.****(a) In general**

A taxpayer engaged in the business of farming may elect to treat as expenses which are not chargeable to capital account expenditures (otherwise chargeable to capital account) which are paid or incurred by him during the taxable year for the purchase or acquisition of fertilizer, lime, ground limestone, marl, or other materials to enrich, neutralize, or condition land used in farming, or for the application of such materials to such land. The expenditures so treated shall be allowed as a deduction.

**(b) Land used in farming**

For purposes of subsection (a), the term “land used in farming” means land used (before or simultaneously with the expenditures described in subsection (a)) by the taxpayer or his tenant for the production of crops, fruits, or other agricultural products or for the sustenance of livestock.

**(c) Election**

The election under subsection (a) for any taxable year shall be made within the time prescribed by law (including extensions thereof) for filing the return for such taxable year. Such election shall be made in such manner as the Secretary may by regulations prescribe. Such election may not be revoked except with the consent of the Secretary.

(Added Pub. L. 86-779, §6(a), Sept. 14, 1960, 74 Stat. 1001; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

## AMENDMENTS

1976—Subsec. (c). Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

## EFFECTIVE DATE

Pub. L. 86-779, §6(d), Sept. 14, 1960, 74 Stat. 1001, provided that: “The amendments made by subsections (a), (b), and (c) [enacting this section and amending section 263 of this title] shall apply to taxable years beginning after December 31, 1959.”

**§ 181. Treatment of certain qualified film and television and live theatrical productions****(a) Election to treat costs as expenses****(1) In general**

A taxpayer may elect to treat the cost of any qualified film or television production, and any qualified live theatrical production, as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as a deduction.

**(2) Dollar limitation****(A) In general**

Paragraph (1) shall not apply to so much of the aggregate cost of any qualified film or television production or any qualified live theatrical production as exceeds \$15,000,000.

**(B) Higher dollar limitation for productions in certain areas**

In the case of any qualified film or television production or any qualified live theatrical production the aggregate cost of which

is significantly incurred in an area eligible for designation as—

(i) a low-income community under section 45D, or

(ii) a distressed county or isolated area of distress by the Delta Regional Authority established under section 2009aa-1 of title 7, United States Code,

subparagraph (A) shall be applied by substituting “\$20,000,000” for “\$15,000,000”.

**(b) No other deduction or amortization deduction allowable**

With respect to the basis of any qualified film or television production or any qualified live theatrical production to which an election is made under subsection (a), no other depreciation or amortization deduction shall be allowable.

**(c) Election****(1) In general**

An election under this section with respect to any qualified film or television production or any qualified live theatrical production shall be made in such manner as prescribed by the Secretary and by the due date (including extensions) for filing the taxpayer’s return of tax under this chapter for the taxable year in which costs of the production are first incurred.

**(2) Revocation of election**

Any election made under this section may not be revoked without the consent of the Secretary.

**(d) Qualified film or television production**

For purposes of this section—

**(1) In general**

The term “qualified film or television production” means any production described in paragraph (2) if 75 percent of the total compensation of the production is qualified compensation.

**(2) Production****(A) In general**

A production is described in this paragraph if such production is property described in section 168(f)(3).

**(B) Special rules for television series**

In the case of a television series—

(i) each episode of such series shall be treated as a separate production, and

(ii) only the first 44 episodes of such series shall be taken into account.

**(C) Exception**

A production is not described in this paragraph if records are required under section 2257 of title 18, United States Code, to be maintained with respect to any performer in such production.

**(3) Qualified compensation**

For purposes of paragraph (1)—

**(A) In general**

The term “qualified compensation” means compensation for services performed in the United States by actors, production personnel, directors, and producers.