

Movie Theater Grant Program

Program Overview

Updated 05/19/23



Commonwealth of  
Massachusetts

## MOVIE THEATER GRANT PROGRAM



## **Program Overview**

The Commonwealth of Massachusetts has made \$3,000,000 available to support movie theaters in the Commonwealth negatively impacted by the COVID-19 pandemic. This program targets movie theaters in the Commonwealth that: (a) have had not less than \$15,000 in box office ticket sales in calendar year 2019, (b) have experienced a decline in box office sales between calendar year 2019 and subsequent years, or portions thereof, of 40 percent or more; (c) be physically located in the Commonwealth; and (d) have no current tax liens on record with the department of revenue at the time of application.

Priority shall be given to applicants with 4 screens or fewer and those headquartered in Massachusetts.

Eligible applicants shall receive \$15,000 per screen for each of the first 2 screens at a particular location and \$10,000 per each additional screen at a particular location.

This project is being supported by federal award number SLFRP1025 awarded to the Commonwealth of Massachusetts by the U.S. Department of the Treasury. These funds were appropriated through the Commonwealth's FY2023 Economic Development Bill.

A business and/or business owner will be ineligible for this grant program if they have received a grant from MGCC in 2022 or 2023, with the exception of a grant from Biz-M Power or Empower Digital, including:

- New Applicant Grant Program
- Inclusive Grant Program
- 2023 Inclusive Funding Opportunity

A business and/or business owner is eligible to receive only one grant in total from the Movie Theater Grant Program or subsequent MGCC's grant programs in 2023.

## **Changes From The Independent Movie Theater Grant Program**

- Non-Profits are now eligible
- Businesses are no longer required to be independently owned
- Businesses with tax return addresses outside of Massachusetts are now eligible (must still have an operating theater in Massachusetts)
- Businesses that are chains are now eligible
- Businesses that are dominant in their field of operations are now eligible

### **Eligible Applicants**

Businesses eligible to receive a Movie Theater Grant must meet all the qualifications below:

- An operating movie theater in Massachusetts
- Has no more than 500 employees
- Business owners must have a valid Social Security Number
- Revenues for 2019 must be between \$15,000 and \$47,000,000 based on 2019 Federal Business Tax Returns

- line 1, IRS Form 1040 Schedule C
- line 1c, IRS Form 1120-C
- line 1c, IRS Form 1120-S
- line 1c, IRS Form 1120
- line 1c, IRS Form 1065
- Revenues must have declined at least 40% between calendar year 2019 and subsequent years
- Currently in operation
- Business must have been established and in operation prior to 09/30/2019
- Business must be in good standing with federal, state and city/town:
  - (1) No current tax liens on record with the Department of Revenue at time of application; and
  - (2) Current on all taxes; and
  - (3) Have active and valid state licenses/registrations, if applicable

While all businesses meeting the above criteria are eligible, priority will be given to businesses that fit the below conditions:

1. Headquartered in Massachusetts
2. Have four or fewer screens
3. For-profit theaters

### **Ineligible Businesses**

- Businesses that did not experience a negative economic impact from the public health emergency
- Business owner cannot hold an ownership interest (percentage) in any other business applying for this same grant
- Businesses owned by persons under age 18
- Businesses owned in whole or in part by foreign individuals (non-permanent resident)  
Massachusetts-based franchisees with more than 3 locations
- Businesses primarily engaged in political or lobbying activities
- Real estate rentals/sales businesses
- Cannabis-related businesses
- , Churches or religious institutions
- Member-services organizations (social clubs)
- Government-owned entities or elected official offices
- Any business owner or business that is on the issued federal debarment list
- Business that received a grant from MGCC in 2022 or 2023, with the exception of a grant from Biz-M-Power and Empower Digital
- A business or a business owned or controlled by persons or one that employs or contracts with persons (including officers, directors, employees, agents or subcontractors) who have been the subject of a charge, judgment, conviction, or grant of immunity, including pending actions, for any business or financial-related conduct that constitutes a crime under state or federal law, including but not limited to: embezzlement, wire fraud, money laundering, and/or any other COVID 19 relief fraud
- A business that has been the subject of any governmental determination of any public works law or regulation, or labor law or regulation or any OSHA violation

## **Amount of Funding**

Maximum grant amount will be based on the application pool received, with the following criteria:

- \$15,000 for each of the first two screens at a particular location
- \$10,000 for each additional screen at a particular location

## **Approved Use of Funds**

- Employee payroll and benefit costs
  - Costs to retain employees
  - Business mortgage or rent
  - Utilities
  - Interest on other debt obligations incurred after March 3, 2021
  - Operating costs as a result of COVID-19 and measures taken to contain spread of the virus
  - Costs associated with adopting safer operating procedures
  - Cost to implement COVID-19 prevention or mitigation tactics, i.e. physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions
  - Cost to enhance outdoor spaces for COVID-19 mitigation (e.g., restaurant patios)
- Business will not apply the funds granted in response to this application to any expense that has been or will be covered by any other source of federal or state funding including, but not limited to, MGCC's COVID-19 Relief Grant Programs, SBA Paycheck Protection Program (PPP), SBA Economic Injury Disaster Loan (EIDL), Restaurant Revitalization Fund, Unemployment compensation benefits, Insurance claims/proceeds, Federal Emergency Management Agency (FEMA) funds, Small Business Administration funds, other Federal/State/local funding, other nonprofit/private sector/charitable funding.
  - Business will collect and retain sufficient documentation to demonstrate that the expenses delineated in this application were incurred within the eligibility limits and established for the Independent Movie Theater Grant Program. Documentation includes, but is not limited to, receipts, invoices, purchase orders, contracts, contemporaneous memoranda, or other relevant materials. These materials must be stored in an easily accessible and searchable format, in business control, and in compliance with document retention best practices. This documentation will be maintained in compliance with applicable federal, state, and municipal law to support internal and external audits of these obligations and expenditures. As the prime recipient of the Independent Movie Theater Grant Program, the Commonwealth, reserves the right to request this documentation or other audit evidence at a future date.
  - Grantor reserves the right to require Business to report on incurred expenses and/or outcomes in a form prescribed by the Grantor.

## **Non-Approved Use of Funds**

- Purchase of real property
- Construction activities
- Lobbying

- Depositing funds into any pension fund - Sec. 602(c)(2)(B) & 603 (c)(2)
- Rainy day fund, financial reserves, or similar funds
- Debt incurred prior to March 3, 2021
- Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding, except to the extent the judgment or settlement requires the provision of services that would respond to COVID public health emergency
- Businesses that did not experience a negative economic impact from public health emergency
- Uses that bear no relation to the harm experienced by the public health crisis or are grossly disproportionate to the type or extent of harm
- Additionally, grantees must prevent the duplication of benefits, which means these grant funds may not be used to pay expenses if another source of financial aid has paid that same expense
- Prohibited telecommunications and/or video surveillance equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities) and/or Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities)

### **Required Documentation**

***ONLY COMPLETE APPLICATIONS INCLUDING ALL REQUIRED DOCUMENTATION WILL BE CONSIDERED.***

Documentation Required:

- **2019, 2020 and 2021 Federal Business Tax Return:** A complete copy (all schedules) of your filed Federal Business Tax Return as submitted to the IRS. If you file Schedule C income, please upload that document in place of a Business Tax Return.
  - Social Security Numbers and EIN Numbers must be fully visible on documents
  - Please be advised: If you received tax returns from a CPA, documents may be password protected. Include the document password for reviewer access. If you do not provide document passwords, your application will be considered incomplete
- **2019, 2020 and 2021 Federal Personal Tax Returns:** A complete copy (all schedules) of your filed Federal Personal Tax Returns as submitted to the IRS for each business owner with 20% or greater ownership.
  - If you are a non-profit, please upload a complete copy of Form 990, including Schedule J
  - If you are owned by a legal entity, please upload a complete copy of the Federal Business Tax Return for that legal entity
  - Social Security Number and EIN Numbers must be fully visible on documents
  - Please be advised: If you received tax returns from a CPA, documents may be password protected. Include the document password for reviewer access. If you do not provide document passwords, your application will be considered incomplete
- **IRS W-9 Form:** Completed and signed IRS W-9 Form for your business.

- You must fill out a new W-9 Form for MGCC, click here: [Form W-9 \(irs.gov\)](https://www.irs.gov/form990)
  - Must provide information for boxes 1, 2, 3, 5, 6, Part I and Part II of W-9 Form
  - If you have an Employer Identification Number (EIN), provide that in Part I of W-9 Form. Otherwise, provide your Social Security Number (SSN). Number provided should match your Federal Business Tax Return, Schedule C, or Federal Personal Tax Return.
- **Certificate of Good Standing – Massachusetts Secretary of State’s Office:**
    - Required if your business is a LLC, Partnership (except General Partnerships) Corporation or Non-Profit
    - All entities organized in other states that operate in Massachusetts must be registered and in good standing in Massachusetts
    - Your Certificate must have been issued within the past 12 months
    - If you need to request a Certificate of Good Standing from the Secretary of State’s Office, please do so immediately as it may take up to 2+ weeks to receive, click below. Uploaded receipts will not meet application completion requirements.  
<https://corp.sec.state.ma.us/CorpWeb/Certificates/CertificateOrderForm.aspx>
- **Business Certificate:** A copy of your unexpired Business Certificate from the city/town in which your business operates.
    - Required if your business is a Sole Proprietorship or General Partnership
    - If you need to request a Business Certificate, visit your town/city hall website.
- **Certificate of Good Standing from the Department of Revenue:** A copy of your unexpired Certificate of Good Standing issued from the Department of Revenue.
    - Required for all business entities and/or individuals if business is a DBA/Schedule C
    - All entities organized in other states that operate in Massachusetts must be registered and in good tax standing with the Department of Revenue of Massachusetts
    - Your Certificate must be updated with this application
    - If you need to request a Certificate of Good Standing from the Department of Revenue, please do so immediately as it may take up to 2+ weeks to receive, click below. Uploaded receipts will not meet application completion requirements.  
<https://www.mass.gov/info-details/dor-certificate-of-good-standing-and-or-corporate-tax-lien-waiver-faqs#how-do-i-apply-for-a-certificate-of-good-standing?->

Additional Help on requesting a Certification of Good Standing from the Department of Revenue:  
[https://www.youtube.com/watch?v=apSWETA8r4Q&list=PLfBnwDVE7DgGsk\\_WprAik\\_BVQvxUgUtvk&index=5](https://www.youtube.com/watch?v=apSWETA8r4Q&list=PLfBnwDVE7DgGsk_WprAik_BVQvxUgUtvk&index=5)
- **Photo ID:** A copy of the business owner's photo identification (ID).
    - Accepted ID’s include State-issued driver's license/ID card or U.S. Passport book/card
    - ID must be valid and not expired
    - ID match the business owner who is an authorized signer for the business that signs this application
    - If it is a State-issued driver’s license, please submit a copy of the front of the ID only
- **If Applicable, Corporate Resolution:** Indicating who has the right to sign on behalf of the business.

- **If Applicable, Payment Plan(s): Federal, State and/or Local Business and/or Personal Taxes**

As security of sensitive information is of the utmost importance, MGCC has chosen to contract with a third-party online platform, Submittable, for application submissions. Please read through Submittable’s statement regarding its security and compliance measures with collected documentation and information:

“Submittable meets the standard in the SaaS industry. All data is encrypted in transmission and at rest. As the platform works with several government organizations with sensitive & private information, security and compliance are paramount at Submittable.

- **What compliance certifications does Submittable offer?** Submittable maintains compliance with the security and privacy requirements of the Health Insurance Portability and Accountability Act (HIPAA), as well as many other applicable frameworks, including SOC 2 Type 2, FERPA, and PCI. We also undergo third-party web accessibility testing at least annually, and our most current VPAT is available upon request. We are also an active member of the EU-US Privacy Shield.
- **Does Submittable comply with X state or country privacy laws?** Submittable is a United States SaaS company. We maintain several security and privacy controls as described and documented in our terms of use and third-party compliance reports. For a detailed and third-party audited description of our controls, please refer to our latest SOC 2 Type 2 report. For specific guidance on how these certifications and controls map to your local laws and regulations, please consult your legal counsel.
- **How do you determine data ownership?** All data used, transferred, or stored is owned by the creator of that data. For more information, please refer to our [terms of service](#).
- **Has Submittable ever had a data breach?** No. For a third-party attestation on this topic, please refer to the latest copy of our SOC 2 Type 2 report.
- **Is data encrypted at rest?** All data is stored at an Amazon Web Services (AWS) data center in the Northern Virginia region (us-east-1) and is encrypted at rest using standard AWS methods. We use AWS' Relational Database Service and AWS S3's built-in encryption, which uses AES-256. We have a single master key managed by AWS Key Management Service. For more information, please refer to the relevant AWS user guide at: <https://docs.aws.amazon.com/AmazonRDS/latest/UserGuide/Overview.Encryption.html>.”

### **Application Submission Instructions**

Your application must be filled out and submitted electronically along with attachments as stated in the “Required Documentation” section. Hard copies or electronic copies submitted in any other way, such as mailed or emailed, will not be considered. Additionally, only complete, accurate and legible applications will be considered.

Please be advised, applications must include all required documentation by the program deadline in order to be considered. Please see full list of “Required Documentation” details below. Common omissions that would exclude your application from consideration:

- Certificate of Good Standing from the Massachusetts Secretary of State’s office
- Complete 2019, 2020 and 2021 Federal Business Tax Return or Schedule C

- Complete 2019, 2020 and 2021 Federal Personal Tax Returns, including all schedules, for each business owner with 20% or greater ownership

### **Award Process**

Applications will be accepted by MGCC through MGCC's online application portal, Submittable, and evaluated by MGCC staff based upon eligibility criteria and priorities described above. MGCC will award and disburse grants to those that are approved.

### **Compliance with Federal Funds, Laws and Regulations**

Applicants must comply with all applicable laws.

### **Language Translations**

Program overview information will be available in the following 10 languages on MGCC's website,

[EmpoweringSmallBusiness.org](https://empowering-small-business.org) (Application remains in English)

- Arabic
- Gujarati
- Haitian Creole
- Khmer
- Korean
- Portuguese
- Simplified Chinese
- Spanish
- Traditional Chinese
- Vietnamese