

Addition to Chris Lee's
testimony
HB 2382

The 50-State Strategy

A guide to production incentives across America

By Todd Longwell

ALASKA dced.state.ak.us/oed/film

- 30% transferable tax credit on in-state spend
- Additional 10% for wages paid to state residents
- Additional 2% for filming in a rural area; another 2% for filming between Oct. 1 and March 30
- \$100,000 minimum in-state spend

ALABAMA alabamafilm.org

- 25% tax credit on in-state spend, excluding payroll and benefits paid to Alabama residents
- 35% rebate on all payroll expenses paid to



- residents when they are more \$500,000 but and less than \$10 million
- 25%-35% credit or rebate for qualified production for expenses related to developing soundtracks
- Program capped at \$7.5 million for 2010 and \$10 million for 2011 and beyond

ARIZONA azcommerce.com/film

- 30% transferable, nonrefundable tax credit for productions more than \$1 million, 20% for productions \$250,000-\$1 million
- \$250,000 minimum in-state spend
- 50% of the full-time employees working in state must be Arizona residents

- Only salaries of state residents and in-state expenditures count toward credit

ARKANSAS arkansasedc.com/business-development/arkansas-film-commission.aspx

- 15% rebate on all qualified productions in state
- Additional 10% payroll rebate for certain cast members and below-the-line crew who are full-time state residents
- \$50,000 minimum spend

CALIFORNIA film.ca.gov/

- 20% tax credit for feature films (\$1 million-

DOWNTIME TO SHOWTIME

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\$75 million budget), movie of the week or miniseries (\$500,000 minimum budget), and new basic cable TV series (\$1 million minimum budget)

- 25% tax credit for TV series that filmed previous seasons outside of California and independent film with budgets of \$1 million-\$10 million produced by companies not publicly traded company or more than 25% owned by publicly traded company

COLORADO coloradofilm.org

- 10% rebate on the below-the-line costs
- 75% of below-the-line budget must be spent with state businesses
- 75% of crew must be hired in state

CONNECTICUT www.ctfilm.com

- 30% transferable tax credit on goods and services used within the state, even if purchased elsewhere
- Only 50% of costs incurred outside of state qualify
- \$50,000 minimum spend
- \$15 million cap on individual salaries

DELAWARE

dedo.delaware.gov/services/services.shtml
No incentives

DISTRICT OF COLUMBIA

film.dc.gov/film/

- Refundable grant equivalent to 10% of qualified expenses or 100% of sales and use taxes paid to the district on qualified expenditures — whichever amount is smaller
- Minimum \$500,000 spend and five days filming in DC

FLORIDA

filminflorida.com

- 20% cash rebate of during the off-season (June 1-Nov. 30) for most productions; 15% the rest of the year
- Additional 2% rebate for family-friendly productions meeting specific criteria

GEORGIA

georgia.org/EntertainmentIndustry/

- Base 20% tax credit
- Transferable once to multiple taxpayers
- Additional 10% tax credit if a production includes a qualified Georgia promotion
- \$500,000 minimum spend through single or multiprojects in single year

HAWAII

hawaiifilmoffice.com/

- Refundable tax credit of 15% (Oahu) to 20% (all other islands)
- \$8 million cap per production
- \$200,000 minimum spend
- 80% income tax credit for state taxpayers who invest in a "qualified high-technology business" that produces performing arts products

IDAHO filmidaho.com

No incentives

ILLINOIS illinoisfilm.biz

- 30% tax credit for in-state spend
- 30% tax credit on Illinois salaries up to \$100,000 per worker
- Bonus 15% credit for wages paid to state residents living in an impoverished area
- Minimum spend \$50,000 for projects 29 minutes and under; \$100,000 for projects longer than 30 minutes
- Production companies make a "good faith" effort to hire a percentage of minorities

INDIANA filmindiana.com

- 15% refundable credit on in-state spend
- \$100,000 minimum spend; \$50,000 minimum or music videos/recordings
- \$5 million annual cap

IOWA iowalifechanging.com/film
Incentive program suspended indefinitely

KANSAS filmkansas.com

No incentives

KENTUCKY kyfilmoffice.com

- 20% refundable tax credit
- Minimum in-state spend \$500,000 for features, \$200,000 for commercials and \$50,000 for documentaries and stage productions

LOUISIANA lafilm.org

- 30% tax credit on in-state spend
- Above-the-line resident and nonresident labor costs qualify
- 5% additional tax credit for first \$1 million of each Louisiana resident's wages
- Credit can be redeemed with the state at 85% face value
- \$300,000 minimum spend
- No per project cap

MAINE filmmaine.com

- Rebate of 10% of out-of-state employee wages; 12% for Maine resident wages

MARYLAND marylandfilm.org

- 25% rebate on total direct production costs incurred in state
- \$500,000 minimum spend
- 50% or more of filming must take place in state
- Nonresident salaries included
- Salaries in excess of \$1 million excluded

MASSACHUSETTS mafilm.org

- 25% production tax credit
- Can be applied to a tax liability, redeemed at 90% from state or sold to third party
- Only first 27 episodes per year of television series can qualify
- \$50,000 minimum spend
- 50% of budget must be spent in state

MICHIGAN michiganfilmoffice.org

- 40% refundable tax credit on in-state spend
- Additional 2% credit if shooting in one of the 103 designated Core Communities
- Michigan crew reimbursed at 40% (plus 2% in Core Communities) nonresident below-the-line crew at 30%
- \$2 million salary cap per employee
- \$50,000 minimum in-state spend
- No annual cap

MINNESOTA mnfilmtv.org

- 15% cash rebate on in-state spend for productions with budgets less than \$5 million, 20% for \$5 million and up
- Only expenditures for resident cast/crew and in-state vendors qualify

MISSISSIPPI filmississippi.org

- 20% rebate on in-state spend
- 20% rebate on nonresident payroll; 25% rebate on payroll for employees who have resided in state six months at time project qualifies for program — both capped at \$1 million per individual
- \$20,000 minimum spend; \$8 million per-project cap; \$20 million annual cap
- Sales tax exemption (7%) on production goods
- Sales tax reduction (5.5%) on all film equipment

MISSOURI mofilm.org

- 35% transferable, nonrefundable tax credit on in-state spend
- Minimum spend \$50,000 for projects 29 minutes and shorter; \$100,000 for projects longer than 30 minutes
- Program is capped at \$4.5 million

MONTANA

montanafilm.com

- 14% refundable tax credit for Montana labor; applied to the first \$50,000 worth of wages paid per state resident
- 9% refundable tax credit on in-state spend
- Free production office furniture and traffic control signage
- No sales tax
- No caps or minimum spend

NEBRASKA filminebraska.org

No incentives

NEVADA nevadafilm.com

No incentives

NEW HAMPSHIRE nh.gov/film

No incentives

NEW JERSEY njfilm.org

- 20% transferable tax credit on qualified production expenses
- At least 60% of the total expenses of a project, exclusive of postproduction costs, must be for in-state goods and services
- Principal photography must begin within 150 days after the approval of the credit application
- Nonresident labor qualifies
- Business tax credit equal to 20% of digital media production expenses
- Exemption from 7% state sales tax for purchases of qualified tangible property

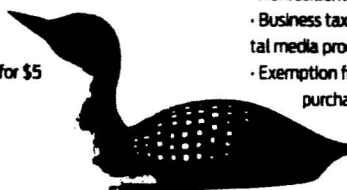
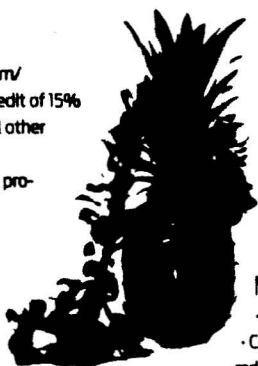
NEW MEXICO

nmmfilm.com

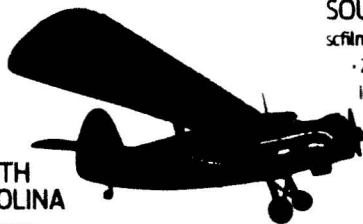
- 25% state tax rebate for resident cast and crew and in-state rentals, purchases and services
- Excludes nonresident crew, but includes their per diem and housing
- \$5 million credit cap for all performing artists
- No other caps or minimums
- 50% wage reimbursement program for on-the-job training of residents in select below the line positions
- Loan program for up to \$15 million for fully collateralized projects more than \$2 million with 85% of principal photography in state

NEW YORK nylovesfilm.com

- 30% refundable state tax credit, capped at \$75 million a year
- Additional 5% New York City tax credit, capped at \$30 million a year
- 75% of production's facility expenses must be in state



- If in-state facility spend is less than \$3 million, then 75% of location days must be in state; if less, the credit is reduced
- Portion of the production must be shot at a qualified facility
- New York City will pay marketing and promotional costs equal to 1% of qualified expenditures



NORTH CAROLINA

- ncfilm.com
- 15% tax credit (boosted to 25% on Jan. 1)
 - \$250,000 minimum spend
 - \$7.5 million per project cap
 - Wages of up to \$1 million qualify
 - No annual cap
 - 7% sales tax reduced to 1% with \$80 limit per item
 - North Carolina must receive onscreen credit

NORTH DAKOTA

ndtourism.com

No incentives

- OHIO www.discoverohiofilm.com/
- 35% refundable tax credit on in-state, resident wage expenditures
 - 25% on all other in-state expenditures, including nonresident wages
 - \$10 million aggregate cap for fiscal year 2010; \$20 million aggregate cap for fiscal year 2011
 - \$300,000 minimum spend
 - \$5 million per production cap

OKLAHOMA

oklahomafilm.org

- Rebate of up to 37% of Oklahoma expenditures
- \$25,000 minimum in-state spend
- \$50,000 minimum budget
- \$5 million annual cap for program

OREGON

oregonfilm.org/

- 20% rebate on in-state production spend
- 10% cash rebate for wages paid on work done in-state
- Labor portion of rebate can be combined with the Greenlight Oregon program for an effect return of 16.2%
- Minimum spend of \$750,000 for 20% and 10% of labor rebate and \$1 million for additional 6.2% labor rebate
- No per production cap
- \$5 million annual cap for the program
- Additional 6.2% labor credit not capped
- Only first \$1 million of individual salaries eligible

PENNSYLVANIA

film.org/film

- 25% transferable, nonrefundable credit
- 60% of total budget must be spent in state
- \$15 million expenditure cap on above-the-line performing artists, direct or loan-out
- \$75 million annual cap for program

SOUTH CAROLINA

scfilmoffice.com/

- 20% cash rebate on in-state employee wages
- 10% cash rebate up to \$3,500 per person on out-of-state crew wages
- Out-of-state performing artists (including stunt performers) eligible for the full 20% rebate
- 30% cash rebate on in-state supplier expenditures
- 20% wage rebate applies to salaries less than \$1 million that are subject to state withholding tax
- Productions with in-state spend \$250,000 or more exempt from sales and accommodations taxes
- TV series shooting a minimum of six episodes and spending \$1 million per half-hour or hour episode may qualify for the full 20% wage rebate for nonresident crew

SOUTH DAKOTA

filmsd.com

- 100% refund of state sales, use and excise taxes
- \$250,000 minimum in-state spend

TENNESSEE

tn.gov/film

- 13% cash rebate on production expenditures, plus an additional 2% if 25% of cast and crew are state residents
- Additional 2% for production spending at least \$20,000 per production/episode for music created by state resident or recorded in state, capped at \$100,000
- Above-the-line resident wages capped at \$100,000 "per function" in a production
- 15% refund on production expenses



TEXAS

- governor.state.tx.us/film
- 5%-15% cash rebate on in-state spend
 - \$250,000 minimum in-state spend
 - 60% of shooting days completed in state
 - 70% of paid crew must be state residents

- 70% of paid cast (including extras) must be Texas residents, except for reality TV and talk shows

UTAH

film.utah.gov

- 20% rebate on in-state spend
- \$1 million minimum in-state spend

VERMONT

vermontfilm.com

No incentives

VIRGINIA

film.virginia.org

- The Governor's Motion Picture Opportunity Fund provides a performance-based cash rebate at the governor's discretion

WASHINGTON

washingtonfilmworks.org

- 20% rebate for in-state spend and resident wages, with a wage cap of \$250,000
- Minimum spend \$500,000 for film, \$300,000 for TV, \$150,000 for commercials
- \$3.5 million annual cap for program

WEST VIRGINIA

wvfilm.com

- 27% transferable, nonrefundable tax credit on in-state spend
- Additional 4% credit 10 or more state residents employed full time
- \$25,000 minimum in-state spend
- No per-project cap
- \$10 million annual cap for program

WISCONSIN

filmwisconsin.net

- 25% refundable tax credit on direct production expenditures
- 25% investment tax credit for investing in Wisconsin-based productions
- 15% state income tax credit for capital investments used to start a production-based business in state



WYOMING

wyomingfilm.org

- 12%-15% cash rebate for in-state spend
- \$500,000 minimum spend

800.545.9871
nmfilm.com
info@nmfilm.com

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 18, 2010 11:33 PM
To: FINTestimony
Cc: scott@americanfilmactor.com
Subject: Testimony for HB2382 on 2/18/2010 2:00:00 PM

Testimony for FIN 2/18/2010 2:00:00 PM HB2382

Conference room: 308
Testifier position: support
Testifier will be present: No
Submitted by: Scott Rogers
Organization: Individual
Address: 838 19th Ave. Honolulu, HI
Phone: 808-779-4444
E-mail: scott@americanfilmactor.com
Submitted on: 2/18/2010

LATE TESTIMONY

Comments:

The more we put into building a film industry in Hawai'i, the more we will have a film industry to diversify our value. Tourism doesn't last forever and Film making creates well-paid jobs.