



# Empire State Development

**FILM TAX CREDIT – QUARTERLY REPORT  
CALENDAR YEAR 2017: THIRD QUARTER  
SEPTEMBER 30, 2017**

Empire State Development (ESD) oversees administration of the film production and post-production tax credits.

This report reflects program activity during this quarter. The information presented includes projected spending, hires, and estimated credits for film and post-production projects deemed eligible to participate in the Program, and, pursuant to new reporting requirements, actual spending, hires and credits issued to projects that have been completed and audited.

ESD accepts initial applications on a rolling basis and reviews them when deemed complete. A preliminary eligibility determination is made for all applications that meet the criteria set forth in statute and regulations and applicants are invited to submit a final application once projects are finished. This report reflects new applications submitted during July, August, and September 2017.

Production companies may be eligible to receive a fully refundable base line credit of 30 percent of qualified production costs and post-production costs incurred in New York State. Additional incentives may be available in each of the tax credit Programs and subject to additional requirements.

## **INITIAL APPLICATIONS BY TAX CREDIT LEVEL**

The tax credit is claimed pursuant to a three-tiered schedule. Projects issued less than \$1 million in credits can claim the entire credit in the first year. Projects with credits issued of more than \$1 million but less than \$5 million can claim the credit over two years (50% each year); and, projects issued credits of \$5 million or more can claim the credit over three years (33% each

Empire State Development

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year). Below is a summary of the initial applications received this quarter based on the amount of estimated credits.

- Number of Projects, estimated credits of less than \$1 million: 57 projects/ \$12,735,524
- Number of Projects, estimated credits of \$1 million up to \$5 million: 10 projects/\$23,056,694
- Number of Projects, estimated credits of \$5 million or more: 20 projects/\$260,090,166

For film production projects, once a project is completed and a final application is submitted and approved, a tax credit certificate is issued. The timing of credit claims is based on: (1) the project completion date, (2) the allocation year and (3) the size of the credit allotted. The first year an approved applicant can claim a credit is the taxable year in which the project is completed or the year following the allocation year, whichever is later.

For post-production projects, the credit shall be allowed for the taxable year in which the production of such qualified film is completed.

The projected completion dates for the initial applications submitted this quarter fall between August 2017 and June 2019.

#### **INITIAL APPLICATIONS – FILM PRODUCTION CREDIT**

During the third quarter of 2017, the Film Tax Credit Program deemed 66 initial applications eligible to submit a final application for credits. The data in this report is based on those projects, which include 38 films, 5 pilots, and 23 series totaling over \$291.1MM in estimated credits.

#### **INITIAL APPLICATIONS – FILM PRODUCTION CREDIT – BY MONTH**

- July 2017, 20 initial applications received, estimated tax credits: \$76,403,984
- August 2017, 28 initial applications received, estimated tax credits: \$113,525,919
- September 2017, 18 initial applications received, estimated tax credits: \$101,207,357

Chart A shows the estimated number of hires, qualified costs, and total New York budget per project for the 66 initial applications approved this quarter. The New York budget represents the estimated spending in New York State. The figures shown in the column for number of employees are head-count numbers, not full-time equivalents.

<b>FILM - PRODUCTION TAX CREDIT PROGRAM</b>			
<b>Chart A</b>			
<b>Initial Applications Submitted During the 3rd Quarter 2017</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
1919	432	\$3,680,848	\$4,708,498
1920	373	\$2,100,264	\$4,657,089
1921	362	\$2,149,330	\$3,000,000
1922	315	\$11,734,128	\$14,106,407
1923	519	\$3,427,133	\$5,923,437
1925	2,340	\$50,109,661	\$86,836,938
1926	216	\$1,418,419	\$1,982,567
1928	6,221	\$74,577,837	\$99,537,755
1929	203	\$19,608,780	\$21,877,617
1930	1,104	\$23,618,709	\$39,706,913
1931	614	\$6,348,840	\$7,368,138
1932	196	\$911,771	\$1,390,294
1933	206	\$1,012,491	\$1,521,889
1934	226	\$1,521,865	\$2,032,117
1935	4,778	\$47,023,758	\$75,670,321
1936	106	\$195,579	\$238,065
1938	67	\$643,783	\$1,062,609
1939	88	\$736,211	\$780,211
1940	89	\$259,560	\$348,852
1941	69	\$461,186	\$620,159
1942	108	\$756,590	\$1,422,662
1943	1,818	\$25,688,854	\$34,277,825
1944	158	\$766,402	\$1,200,891
1945	48	\$324,345	\$361,999
1946	397	\$337,878	\$743,296
1947	172	\$611,194	\$765,979
1948	3,124	\$26,579,868	\$33,037,794
1949	61	\$277,181	\$514,481
1950	1,938	\$19,048,976	\$27,661,069
1951	3,714	\$48,122,559	\$62,138,403
1952	3,468	\$43,151,430	\$51,126,277
1953	58	\$217,455	\$275,135
1954	325	\$1,567,048	\$2,330,000
1955	86	\$80,054	\$105,032
1956	90	\$140,061	\$250,980
1957	47	\$168,976	\$245,373

<b>Chart A Continued</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
1958	3,068	\$59,760,582	\$95,862,067
1959	309	\$2,160,675	\$3,126,256
1960	3,599	\$57,694,926	\$73,841,908
1961	115	\$17,633,687	\$26,333,752
1962	1,331	\$19,988,985	\$23,671,921
1963	129	\$13,713,699	\$21,735,808
1964	590	\$5,880,937	\$7,355,756
1965	143	\$16,477,052	\$24,297,317
1966	1,054	\$6,436,919	\$9,188,795
1967	100	\$832,209	\$1,418,265
1968	344	\$1,277,784	\$2,220,862
1969	137	\$605,928	\$845,172
1970	2,730	\$27,999,213	\$36,672,910
1971	45	\$224,378	\$264,916
1972	4,233	\$65,283,036	\$84,145,248
1973	6,082	\$84,317,312	\$127,811,370
1974	331	\$45,397,251	\$97,040,286
1975	3,617	\$52,682,157	\$68,837,621
1976	72	\$323,575	\$447,993
1977	194	\$4,572,951	\$7,000,000
1978	1,148	\$3,481,874	\$5,202,412
1979	86	\$362,453	\$504,533
1980	53	\$563,748	\$662,723
1981	2,380	\$47,715,815	\$61,369,520
1982	96	\$576,881	\$907,730
1983	77	\$202,854	\$349,754
1984	85	\$90,814	\$131,253
1990	34	\$133,957	\$185,903
1993	596	\$1,761,615	\$2,521,446
2003	129	\$370,295	\$445,568
<b>Totals</b>	<b>67,043</b>	<b>\$957,902,586</b>	<b>\$1,374,226,137</b>

## **INITIAL APPLICATIONS – POST-PRODUCTION CREDIT**

During the third quarter of 2017, the Film Tax Credit Program deemed 21 initial applications for the post-production tax credit eligible to submit a final application for credits.

## INITIAL APPLICATIONS – POST- PRODUCTION CREDIT – BY MONTH

- July 2017, 8 initial applications received, estimated tax credits: \$2,207,047
- August 2017, 5 initial applications received, estimated tax credits: \$491,603
- September 2017, 8 initial applications received, estimated tax credits: \$2,046,474

Chart B shows the estimated number of hires, qualified costs, and total New York budget for each of the 21 post-production projects approved this quarter.

POST - PRODUCTION TAX CREDIT PROGRAM			
Chart B			
Initial Applications Submitted During the 3rd Quarter 2017			
ID	Number of Employees	Qualified Costs	Total NY Budget
418	19	\$1,252,182	\$1,704,806
419	7	\$181,425	\$198,825
420	12	\$768,094	\$947,694
421	17	\$1,298,357	\$1,455,357
422	44	\$993,610	\$1,603,887
423	35	\$1,997,863	\$1,997,863
424	0	\$28,380	\$28,380
425	10	\$42,000	\$42,000
426	14	\$898,839	\$1,375,044
427	5	\$71,056	\$94,056
428	0	\$480,000	\$480,000
429	12	\$1,344,165	\$1,639,725
430	6	\$1,722,484	\$1,726,684
431	10	\$465,750	\$465,750
432	33	\$1,528,550	\$1,845,413
433	10	\$257,576	\$257,576
436	10	\$921,939	\$971,339
438	8	\$530,812	\$551,332
441	4	\$50,300	\$62,004
444	10	\$823,289	\$827,695
453	10	\$160,399	\$220,229
<b>Totals</b>	<b>276</b>	<b>\$15,817,070</b>	<b>\$18,495,659</b>

## **FINAL APPLICATIONS – CREDITS ISSUED – FILM PRODUCTION AND POST PRODUCTION**

Statutory provisions enacted in 2013 require that additional information be disclosed about the name of the company receiving the film and post-production tax credit, the amount of tax credit issued, and the credit eligible hours and wages for each project issued a credit. This new reporting requirement is applicable to film companies that submitted an initial application on or after March 28, 2013 AND have since completed their projects and were issued tax credits.

During the third quarter of 2017, 38 film projects and 10 post-production projects were issued credits that are subject to this new requirement. Charts C and D show the project name, the studio when applicable, the company that was issued the credit, the state where the company is incorporated, the county when applicable, the qualified costs, the total spending in New York State, the total number of employees hired, the credit eligible hours and credit eligible wages, and the credit issued amount for each of these 48 projects.

- Chart C - The 38 film projects issued credits during this reporting period spent \$697.3MM in New York State, hired 46,773 production workers and were issued credits of \$155.2MM.
- Chart D - The 10 post-production projects issued credits during this period spent \$18MM in New York State, hired 375 production workers and were issued credits of \$5MM.

**Chart C**

**FILM TAX CREDIT PROGRAM - CREDITS ISSUED**

<b>PROJECT</b>	<b>Studio</b>	<b>Company</b>	<b>State of Inc.</b>	<b>County</b>	<b>Qualified Costs</b>	<b>NYS Spend</b>	<b>Total Hires</b>	<b>Credit Eligible Hours</b>	<b>Credit Eligible Wages</b>	<b>Credit Issued Amount</b>
Ad Inexplorata		Ad Inexplorata 5	NY	ALBA	\$698,421	\$1,060,132	132	17,610	\$316,310	\$209,526
Americans - Season 4	FOX	TVM Productions, Inc.	DE		\$39,822,180	\$53,843,456	2,605	408,157	\$18,628,602	\$11,946,654
Wildflower		Faith St. Film Partners II, LLC	NY	MONR	\$478,419	\$718,240	49	9,239	\$153,601	\$158,008
Gaffigan - Season 2	Viacom	Viacom International, Inc.	DE		\$14,953,547	\$22,455,734	2,533	186,741	\$7,021,319	\$4,486,064
Landing Up		Bold Compass Films	NY	KING	\$71,169	\$100,361	54	2,749	\$39,777	\$21,351
Landline		Landline Productions NY, Inc.	DE		\$3,685,922	\$5,975,539	760	54,881	\$1,743,760	\$1,105,777
Royal Pains - Season 6	NBCU	Open 4 Business LLC	DE		\$34,070,349	\$45,729,695	2,549	335,452	\$15,982,589	\$10,221,105
Trew Calling		S&G Entertainment LLC	NY	ERIE	\$202,278	\$238,412	51	5,776	\$117,507	\$60,683
Blue Angel		Eggs Film, Inc.	NY	NY	\$1,658,540	\$2,353,336	288	28,938	\$633,169	\$497,562
The Boy Downstairs		Boy Downstairs Productions Inc.	NY	NY	\$1,267,913	\$1,408,896	297	22,393	\$616,373	\$380,374
Breakable You		Breakable You Productions, Inc.	NY	NY	\$1,991,469	\$2,422,592	426	31,964	\$529,960	\$597,441
Creative Control		Phalinx Works Inc.	NY	KING	\$424,291	\$676,085	113	11,706	\$152,821	\$127,287
Friends of the People - Season 1		C Moose Production, Inc.	NY	ROCK	\$8,769,585	\$14,788,020	1,119	134,827	\$4,762,037	\$2,630,876
Sex & Drugs & Rock & Roll - Season 1	Fox	Depact Productions, Inc.	NY	NY	\$10,968,447	\$14,988,154	1,243	124,816	\$5,213,908	\$3,290,534
Third Street Blackout		Mina and Rudy Inc.	NY	NY	\$118,351	\$153,483	76	2,657	\$54,399	\$35,505
Wild Men		Goocher Films LLC	NY	SUFF	\$66,169	\$100,965	30	1,380	\$43,094	\$19,850
Younger - Season 3	Viacom	Viacom International, Inc.	DE		\$18,516,787	\$27,320,988	2,762	200,632	\$8,362,785	\$5,555,036
Blue Bloods - Season 5	CBS	Eye Productions Inc.	DE		\$66,290,184	\$98,107,292	5,394	662,182	\$30,059,355	\$19,887,055
LFE	CBS	Eye Productions Inc.	CA		\$5,224,582	\$6,601,485	1,051	63,447	\$2,694,956	\$1,567,374
Little Boxes		Kid Noir Productions LLC	NY	NY	\$1,629,324	\$2,259,868	342	28,971	\$610,101	\$488,797
Luke Cage - Season 1	ABC	ABC Studios	DE		\$51,592,254	\$59,906,373	3,919	541,321	\$22,464,889	\$15,477,676
Beach House		Beach House Film, Inc.	NY	NY	\$239,226	\$319,908	32	4,061	\$64,005	\$71,768
The Dinner		AWP Productions Inc.	NY	NY	\$5,090,755	\$6,842,089	532	63,209	\$2,276,102	\$1,527,227
Gotham - Season 2	WB	Warner Bros. Television	DE		\$81,543,980	\$111,464,342	4,743	850,192	\$38,468,253	\$24,463,194
Pimp		Pimp Film Production Inc.	NY	KING	\$703,847	\$1,002,834	219	13,231	\$235,854	\$211,154
Brooklyn Animal Control	NBCU	Universal Network Television, LLC	CA		\$6,188,878	\$7,622,620	887	70,495	\$3,063,356	\$1,856,660
Elementary - Season 4	CBS	Eye Productions	DE		\$68,785,537	\$88,599,186	5,130	779,843	\$33,895,996	\$20,635,661

Chart C Continued										
PROJECT	Studio	Company	State of Inc.	County	Qualified Costs	NYS Spend	Total Hires	Credit Eligible Hours	Credit Eligible Wages	Credit Issued Amount
Incredible Jessica James		Big City Girl LLC	NY	NY	\$1,281,427	\$1,725,465	269	20,845	\$463,245	\$384,428
Sneaky Pete - Pilot	SONY	Topanga Productions, Inc.	CA		\$5,685,916	\$6,913,232	1,182	69,412	\$2,893,633	\$1,705,775
Storytime	Viacom	Viacom International Inc.	DE		\$663,623	\$813,981	166	6,709	\$284,463	\$199,087
Lords of Magic		Boy Wonder Inc.	NY	KING	\$324,256	\$361,502	107	6,924	\$191,713	\$97,277
Sex & Drugs & Rock & Roll - Season 2	Fox	Minim Productions, Inc.	CA		\$11,942,759	\$17,053,918	1,313	132,928	\$6,021,730	\$3,582,828
Up The River		Up The River Film, LLC	NY	TOMP	\$123,069	\$150,728	26	3,265	\$38,417	\$36,921
The Big Sick		Comatose, Inc.	NY	NY	\$4,158,239	\$5,029,156	732	59,063	\$1,948,174	\$1,247,472
In Stereo		In Stereo, LLC	NY	NASS	\$119,990	\$146,433	51	3,155	\$62,910	\$35,997
Iron Fist - Season 1	ABC	ABC Studios	DE		\$47,597,150	\$61,585,319	3,700	482,681	\$20,982,057	\$14,279,145
Nasty Baby		Fabula Productions, Inc.	NY	NY	\$431,813	\$660,248	101	9,078	\$145,167	\$129,544
Rough Night	SONY	Tibernia Productions, Inc.	CA		\$20,041,312	\$25,841,103	1,790	191,580	\$9,946,789	\$6,012,394
<b>Totals</b>					<b>\$517,421,958</b>	<b>\$697,341,170</b>	<b>46,773</b>	<b>5,642,510</b>	<b>\$241,183,176</b>	<b>\$155,241,067</b>

Chart D										
POST - PRODUCTION TAX CREDIT PROGRAM - CREDITS ISSUED										
PROJECT	Studio	Company	State of Inc.	County	Qualified Costs	NYS Spend	Total Hires	Credit Eligible Hours	Credit Eligible Wages	Credit Issued Amount
Mahjong and the West		Mahjong and the West, LLC	WY		\$23,090	\$28,200	7	611	\$22,510	\$7,544
Brother Nature		BIL Productions LLC	NY	NY	\$377,345	\$511,961	31	5,840	\$131,734	\$113,203
Pride and Prejudice and Zombies		PPZ NY Productions, Corp.	NY	NY	\$1,751,327	\$2,090,755	22	13,344	\$619,356	\$525,398
Crouching Tiger, Hidden Dragon 2	The Weinstein Co	Iron Knight USA, Inc.	NY	NY	\$3,072,519	\$3,105,614	38	28,656	\$1,541,949	\$921,756
South of Hell		SOH Productions, LLC	DE		\$1,981,783	\$2,353,655	59	17,904	\$921,907	\$594,535
Frank and Lola		Frank and Lola Inc.	NV		\$178,989	\$205,784	13	2,884	\$93,876	\$53,697
Paint It Black		Pib Post Inc	NY	NY	\$161,776	\$176,669	10	1,404	\$82,455	\$48,533
Zoolander 2	Paramount	Paramount Overseas Productions, Inc.	DE		\$9,029,829	\$9,240,822	190	29,430	\$2,339,314	\$2,708,949
Equity		Pictures	NY	NY	\$242,870	\$252,194	5	3,372	\$106,850	\$72,861
Live At Nine Thirty		The Content Farm	MD		\$107,263	\$107,263	0	0	\$0	\$32,179
<b>Totals</b>					<b>\$16,926,791</b>	<b>\$18,072,917</b>	<b>375</b>	<b>103,445</b>	<b>\$5,859,951</b>	<b>\$5,078,655</b>