



# Empire State Development

**FILM TAX CREDIT – QUARTERLY REPORT  
CALENDAR YEAR 2017: FOURTH QUARTER  
DECEMBER 31, 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 October, November, and December 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 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: 50 projects/ \$13,152,584
- Number of Projects, estimated credits of \$1 million up to \$5 million: 12 projects/\$31,325,964
- Number of Projects, estimated credits of \$5 million or more: 9 projects/\$97,963,156

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 December 2017 and November 2018.

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

During the fourth quarter of 2017, the Film Tax Credit Program deemed 47 initial applications eligible to submit a final application for credits. The data in this report is based on those projects, which include 33 films, 3 pilots, and 11 series totaling over \$132.5MM in estimated credits.

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

- October 2017, 23 initial applications received, estimated tax credits: \$67,984,020
- November 2017, 17 initial applications received, estimated tax credits: \$44,616,634
- December 2017, 7 initial applications received, estimated tax credits: \$19,996,212

Chart A shows the estimated number of hires, qualified costs, and total New York budget per project for the 47 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 4th Quarter 2017</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
1985	19	\$94,318	\$122,079
1986	103	\$472,753	\$628,524
1987	409	\$2,683,606	\$5,007,272
1988	426	\$3,280,194	\$4,268,855
1989	53	\$183,304	\$241,683
1991	370	\$464,183	\$626,862
1992	1,917	\$37,346,475	\$52,961,628
1994	962	\$8,570,445	\$13,352,755
1995	152	\$2,000,837	\$3,000,351
1996	813	\$14,471,148	\$17,417,829
1997	972	\$46,403,144	\$62,723,413
1998	2,113	\$21,628,787	\$27,322,920
1999	321	\$660,553	\$1,045,024
2000	209	\$1,148,953	\$1,746,038
2001	975	\$16,075,959	\$20,852,122
2002	259	\$790,189	\$793,989
2004	205	\$366,788	\$510,315
2005	1,553	\$15,763,601	\$17,622,500
2006	35	\$59,005	\$84,068
2007	118	\$303,825	\$402,496
2008	344	\$879,911	\$1,093,628
2009	271	\$4,508,151	\$6,512,939
2010	2,297	\$48,163,969	\$65,209,937
2011	92	\$494,763	\$733,120
2012	61	\$211,840	\$432,804
2013	1,478	\$7,210,864	\$8,344,826
2014	87	\$1,156,226	\$1,502,321
2015	236	\$2,863,540	\$4,206,619
2016	706	\$2,101,925	\$2,619,346
2017	2,070	\$31,004,459	\$41,415,559
2018	187	\$1,027,615	\$1,389,072
2019	1,007	\$6,371,146	\$11,204,381
2020	406	\$1,798,608	\$2,285,000
2021	4,546	\$41,971,332	\$50,452,668
2022	114	\$1,990,841	\$4,015,977

<b>Chart A Continued</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
2023	187	\$1,138,815	\$1,366,287
2024	2,935	\$37,428,934	\$45,065,715
2025	55	\$329,692	\$488,825
2026	837	\$10,082,618	\$13,849,101
2027	2,471	\$26,882,337	\$34,300,420
2029	71	\$177,353	\$220,336
2030	73	\$184,773	\$307,268
2031	191	\$1,396,147	\$1,853,276
2032	579	\$35,714,416	\$42,819,775
2033	160	\$2,162,283	\$3,731,639
2034	29	\$209,994	\$247,130
2035	46	\$136,730	\$176,838
<b>Totals</b>	<b>33,520</b>	<b>\$440,367,349</b>	<b>\$576,575,530</b>

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

During the fourth quarter of 2017, the Film Tax Credit Program deemed 24 initial applications for the post-production tax credit eligible to submit a final application for credits.

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

- October 2017, 10 initial applications received, estimated tax credits: \$3,584,112
- November 2017, 10 initial applications received, estimated tax credits: \$4,128,840
- December 2017, 4 initial applications received, estimated tax credits: \$2,131,886

Chart B shows the estimated number of hires, qualified costs, and total New York budget for each of the 24 post-production projects approved this quarter.

<b>FILM - PRODUCTION TAX CREDIT PROGRAM</b>			
<b>Chart B</b>			
<b>Initial Applications Submitted During the 4th Quarter 2017</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
434	8	\$482,829	\$537,929
435	20	\$2,202,261	\$2,278,661
437	22	\$2,650,383	\$3,170,613
439	0	\$350,000	\$350,000
440	0	\$450,000	\$450,000
442	29	\$4,714,412	\$5,523,067
443	7	\$665,850	\$713,050
445	10	\$77,250	\$112,250
446	5	\$253,219	\$253,219
447	15	\$238,899	\$351,399
448	100	\$5,400,601	\$8,041,964
449	5	\$240,131	\$255,131
450	10	\$530,168	\$530,168
451	18	\$4,366,066	\$6,460,561
452	0	\$350,000	\$350,000
454	12	\$87,500	\$91,500
455	12	\$494,636	\$503,636
456	0	\$1,600,000	\$1,600,000
458	5	\$107,000	\$129,500
460	0	\$435,299	\$435,299
461	0	\$545,050	\$545,050
462	0	\$200,000	\$200,000
465	75	\$6,002,248	\$6,806,748
466	15	\$358,990	\$422,691
<b>Totals</b>	<b>368</b>	<b>\$32,802,792</b>	<b>\$40,112,436</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 fourth quarter of 2017, 34 film projects and 19 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 53 projects.

- Chart C - The 34 film projects issued credits during this reporting period spent \$736.7MM in New York State, hired 47,638 production workers and were issued credits of \$158.8MM.
- Chart D - The 19 post-production projects issued credits during this period spent \$53.8MM in New York State, hired 606 production workers and were issued credits of \$13.1MM.

Chart C										
FILM 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
America's Got Talent - Season 8	NBCU	Marathon Productions, Inc.	CA		\$36,670,231	\$55,654,810	895	153,513	\$7,066,818	\$11,001,069
Those People		Those People Film, Inc.	NY	NY	\$409,814	\$566,549	91	10,320	\$136,810	\$122,944
Get Happy		Monomyth-Enchantment, Inc.	NY	NY	\$146,634	\$202,571	43	4,083	\$69,701	\$43,990
Kill For Me		KFM FILM, LLC	NY	NY	\$477,836	\$655,901	121	10,723	\$113,962	\$152,948
The Alcoholist		Ship to Shore Media	NJ		\$108,616	\$120,516	26	3,184	\$33,860	\$32,585
Ace The Case		Kid Witness, LLC	NY	NY	\$587,985	\$945,892	103	13,982	\$233,558	\$176,395
Emelie		Very Bad Sitter LLC	NV		\$682,494	\$942,556	105	14,810	\$245,240	\$224,727
Alterscape		Isle Empire Pictures, LLC	NY	NY	\$253,238	\$344,906	89	8,116	\$120,968	\$75,971
For Justice	CBS	Eye Productions, Inc.	DE		\$4,954,459	\$6,599,775	999	61,578	\$2,561,842	\$1,486,338
Vinyl - Season 1	HBO	Broken Record Productions LLC	DE		\$77,875,732	\$104,816,023	5,391	790,456	\$34,854,516	\$23,362,720
Good Wife - Season 7	CBS	Eye Productions, Inc.	DE		\$51,810,798	\$78,148,855	4,480	554,994	\$25,163,084	\$15,543,239
Look Away		Beautiful Darkness LLC	NY	NY	\$1,694,133	\$2,149,016	201	28,824	\$647,237	\$508,240
Blindspot - Season 1	WB	Warner Bros. Television	DE		\$62,352,173	\$78,603,925	4,304	673,890	\$30,442,239	\$18,705,652
The Transfiguration		Transfiguration Productions LLC	NY	Kings	\$318,000	\$373,811	149	9,771	\$134,795	\$95,400
Mysteries of Laura - Season 2	WB	Warner Bros. Television	DE		\$38,488,555	\$49,569,259	4,291	432,661	\$18,375,968	\$11,546,567

**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
The Brits Are Coming		TBAC Productions, Inc.	NY	NY	\$2,948,353	\$5,347,313	501	37,340	\$1,037,262	\$884,506
Billions - Season 1	Showtime	Possible Productions, Inc.	DE		\$48,432,696	\$62,427,849	4,337	522,892	\$21,621,440	\$14,529,809
Blue Bloods - Season 6	CBS	Eye Productions, Inc.	DE		\$65,486,994	\$100,438,119	5,470	668,410	\$29,454,201	\$19,646,098
Story of Thursday - Pilot		Top Key Productions LLC	NY	NY	\$348,958	\$365,514	23	5,298	\$116,083	\$104,687
Ghost Team		GTM, Inc.	NY	Kings	\$495,125	\$668,878	105	9,427	\$203,577	\$148,538
DeadBeat - Season 3		Dakota Pictures, Inc.	CA		\$5,316,539	\$7,983,954	668	67,099	\$2,846,728	\$1,594,962
John Wick 2	Lionsgate	JW2 Productions NY LLC	CA		\$23,175,244	\$33,236,334	2,399	258,703	\$10,836,188	\$6,952,573
Hello Again		Hello Again Production Services, Inc.	NY	NY	\$923,915	\$1,139,492	342	29,742	\$508,781	\$277,175
Divorce - Season 1	HBO	Across The Pond Productions LLC	DE		\$27,298,020	\$41,236,669	2,450	281,800	\$12,391,109	\$8,189,406
Kevin James - Pilot	SONY	Woodridge Productions, Inc.	CA		\$3,705,710	\$5,396,281	364	38,172	\$1,786,351	\$1,111,713
Bull - Pilot	CBS	CBS Television Studios	CA		\$5,402,239	\$7,217,787	915	59,274	\$2,550,118	\$1,620,672
Great News - Pilot	NBCU	Universal Television LLC	CA		\$3,270,490	\$4,057,796	561	41,852	\$1,752,741	\$981,147
Tick - Pilot	SONY	Mesquite Productions, Inc.	CA		\$5,372,719	\$6,295,402	576	49,830	\$2,303,483	\$1,611,816
Bikini Moon		Bikini Movie, Inc.	NY	Alb	\$481,183	\$723,945	176	7,631	\$179,447	\$144,355
The Breaks - Season 1	Viacom	Viacom International, Inc.	DE		\$21,926,682	\$29,875,511	2,624	244,019	\$10,310,543	\$6,578,005
The Detour - Season 2	TBS	Turner North Center Productions, Inc.	GA		\$15,506,848	\$22,192,034	2,717	183,596	\$8,015,696	\$4,652,055
Wonder Wheel		Perdido Productions, Inc.	NY	NY	\$18,029,418	\$22,054,860	1,459	167,237	\$7,996,742	\$5,408,825
Jonathan		Jonathan Productions, Inc.	NY	Alb	\$1,146,391	\$1,958,176	193	21,432	\$448,341	\$343,918
Neon Joe - Season 2		PFFR COCOR, Inc.	NY	NY	\$3,169,649	\$4,416,262	470	36,987	\$1,627,340	\$950,895
<b>Totals</b>					<b>\$529,267,871</b>	<b>\$736,726,541</b>	<b>47,638</b>	<b>5,501,646</b>	<b>\$236,186,769</b>	<b>\$158,809,940</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
Natureland		This LLC	NY	NY	\$85,588	\$86,317	4	3,440	\$31,400	\$25,676
The Light Between Oceans	Dreamworks	Ocean Light Productions LLC	DE		\$2,916,979	\$3,491,632	107	12,191	\$673,658	\$875,094
Mr. Holmes		AI Film ST Post Production, Inc.	NY	NY	\$1,514,655	\$1,719,059	18	10,496	\$499,883	\$454,397
The Phenom		Best Pitcher LLC	NY	NY	\$320,788	\$414,323	18	2,104	\$71,291	\$96,236
Team Hot Wheels		Titmouse, Inc.	DE		\$826,376	\$949,986	37	26,689	\$647,655	\$247,913
Fundamentals of Caring		RFOC Post, Inc.	NY	NY	\$628,130	\$636,973	18	3,331	\$191,855	\$191,390
Goat		Fratigan Productions, Inc.	NY	NY	\$168,499	\$173,308	8	1,504	\$45,010	\$50,550
Inferno	SONY	Columbia Pictures Industries, Inc.	CA		\$6,134,838	\$8,411,311	71	33,195	\$3,750,052	\$1,840,451
Billy Lynn's Long Halftime Walk	SONY	Tristar Productions, Inc.	CA		\$10,160,630	\$10,508,355	68	50,931	\$3,582,522	\$3,048,189
Sophie and the Rising Sun		Sophie Films, Inc.	NY	NY	\$664,874	\$742,440	34	7,136	\$334,872	\$199,462
Beauty and the Beast	Disney	Chip Pictures, Inc.	CA		\$9,731,607	\$12,503,039	70	60,472	\$5,378,541	\$2,919,482
Deepwater Horizon	Lionsgate	Long Night Productions LLC	LA		\$5,129,728	\$7,192,964	56	38,462	\$2,059,999	\$1,538,919
Imperium		TDSD LLC	VA		\$176,377	\$269,668	21	1,470	\$66,699	\$52,913
True Memoirs of an International Assassin		True Memoirs LLC	DE		\$1,649,714	\$1,979,586	13	10,702	\$497,367	\$494,914
Crisis In Six Scenes		Perdido Productions Inc.	NY	NY	\$1,081,113	\$1,505,494	35	8,778	\$518,863	\$324,334
Felt		Butler Pictures (Felt), Inc.	GA		\$1,668,335	\$2,300,245	28	10,590	\$565,174	\$500,500
The Son - Season 1	AMC	The Son Productions I LLC	DE		\$250,150	\$250,150	0	0	\$0	\$75,045
Family Business		Ithaca Film Company	NY	NY	\$15,000	\$15,000	0	0	\$0	\$4,500
Notorious Series - Season 1	SONY	Topanga Productions, Inc.	CA		\$706,980	\$706,980	0	0	\$0	\$212,094
<b>Totals</b>					<b>\$43,830,361</b>	<b>\$53,856,101</b>	<b>606</b>	<b>281,491</b>	<b>\$18,914,841</b>	<b>\$13,152,059</b>