



Empire State Development

**FILM TAX CREDIT – QUARTERLY REPORT
CALENDAR YEAR 2018: FOURTH QUARTER
DECEMBER 31, 2018**

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 2018.

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: 43 projects/ \$9,882,401
- Number of Projects, estimated credits of \$1 million up to \$5 million: 5 projects/\$10,487,227
- Number of Projects, estimated credits of \$5 million or more: 5 projects/\$57,894,565

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 November 2018 and December 2019.

INITIAL APPLICATIONS – FILM PRODUCTION CREDIT

During the fourth quarter of 2018, the Film Tax Credit Program deemed 24 initial applications eligible to submit a final application for credits. The data in this report is based on those projects, which include 17 films, 1 pilot, and 6 series totaling over \$72.8MM in estimated credits.

INITIAL APPLICATIONS – FILM PRODUCTION CREDIT – BY MONTH

- October 2018, 15 initial applications received, estimated tax credits: \$67,033,784
- November 2018, 9 initial applications received, estimated tax credits: \$5,794,772

Chart A shows the estimated number of hires, qualified costs, and total New York budget per project for the 24 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.

FILM - PRODUCTION TAX CREDIT PROGRAM			
Chart A			
Initial Applications Submitted During the 4th Quarter 2018			
ID	Number of Employees	Qualified Costs	Total NY Budget
2215	314	\$3,060,711	\$5,380,986
2216	379	\$2,305,634	\$3,058,373
2218	1,474	\$20,509,744	\$29,126,791
2221	3,609	\$53,541,036	\$63,809,161
2222	349	\$9,697,955	\$13,152,833
2223	66	\$155,306	\$232,820
2224	338	\$1,423,856	\$2,543,220
2225	2,883	\$39,065,506	\$53,958,586
2226	297	\$2,783,995	\$4,256,639
2227	484	\$980,166	\$1,483,254
2228	1,172	\$7,767,274	\$9,543,954
2229	4,702	\$47,490,488	\$58,839,933
2230	3,469	\$32,375,109	\$42,206,683
2231	193	\$789,421	\$1,049,999
2232	76	\$450,944	\$627,563
2233	245	\$6,559,725	\$9,511,006
2235	115	\$451,267	\$686,806
2236	338	\$5,597,762	\$7,225,337
2237	358	\$790,292	\$1,423,199
2238	65	\$119,550	\$238,550
2239	50	\$57,665	\$64,982
2240	28	\$80,883	\$107,216
2241	83	\$298,310	\$596,520
2242	401	\$5,334,705	\$7,181,754
Totals	21,488	\$241,687,304	\$316,306,165

INITIAL APPLICATIONS – POST-PRODUCTION CREDIT

During the fourth quarter of 2018, the Film Tax Credit Program deemed 29 initial applications for the post-production tax credit eligible to submit a final application for credits.

INITIAL APPLICATIONS – POST- PRODUCTION CREDIT – BY MONTH

- October 2018, 13 initial applications received, estimated tax credits: \$1,892,807
- November 2018, 9 initial applications received, estimated tax credits: \$2,070,864
- December 2018, 7 initial applications received, estimated tax credits: \$1,471,966

Chart B shows the estimated number of hires, qualified costs, and total New York budget for each of the 29 post-production projects approved this quarter.

FILM - PRODUCTION TAX CREDIT PROGRAM			
Chart B			
Initial Applications Submitted During the 4th Quarter 2018			
ID	Number of Employees	Qualified Costs	Total NY Budget
524	0	\$250,106	\$250,106
525	10	\$545,915	\$545,915
526	15	\$225,606	\$225,606
527	0	\$150,000	\$150,000
528	32	\$1,305,999	\$1,838,068
529	2	\$53,200	\$53,200
530	3	\$224,569	\$224,569
531	0	\$410,870	\$410,870
532	0	\$150,000	\$150,000
534	3	\$51,930	\$61,930
535	0	\$524,328	\$524,328
536	7	\$368,415	\$391,960
538	38	\$1,961,030	\$2,207,691
539	3	\$80,619	\$105,619
540	7	\$114,067	\$135,067
541	19	\$716,680	\$868,367
542	11	\$334,543	\$436,543
543	7	\$1,207,124	\$2,472,124
544	0	\$283,937	\$283,937
545	0	\$200,000	\$207,850
546	0	\$1,990,000	\$1,990,000
547	13	\$1,975,909	\$3,060,544
548	8	\$183,805	\$317,720
549	0	\$200,000	\$200,000
550	0	\$293,715	\$293,715

Chart B Continued			
ID	Number of Employees	Qualified Costs	Total NY Budget
551	6	\$575,828	\$631,553
552	19	\$3,185,774	\$4,137,860
553	0	\$137,280	\$137,280
554	20	\$330,153	\$430,443
Totals	223	\$18,031,402	\$22,742,865

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 2018, 41 film projects and 15 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 56 projects.

- Chart C - The 41 film projects issued credits during this reporting period spent \$697.6MM in New York State, hired 46,149 production workers and were issued credits of \$151.3MM.
- Chart D - The 15 post-production projects issued credits during this period spent \$26.1MM in New York State, hired 241 production workers and were issued credits of \$6.9MM.

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
After the Sun Fell		Choice Films, Inc.	NJ		\$426,073	\$586,261	73	9,173	\$224,051	\$149,771
The Agency		Fish & Crown Creative	NY	Monroe	\$92,393	\$105,324	27	2,269	\$66,061	\$27,718
All We Had		Grand River Productions, Inc.	NY	NY	\$1,925,598	\$2,841,164	413	28,633	\$770,559	\$577,679
The Americans - Season 5	FOX	TVM Productions, Inc.	DE		\$42,548,436	\$59,175,892	2,998	422,440	\$19,370,482	\$12,764,531
Ask for Jane		Ask for Jane LLC	NY	NY	\$155,465	\$223,349	128	7,437	\$109,893	\$46,640
Bad Vegan		Bad Vegan LLC	NY	NY	\$268,884	\$415,603	67	5,147	\$101,882	\$80,665
Blindspot - Season 2	WB	Warner Bros. Television	DE		\$67,140,269	\$85,735,544	4,182	664,958	\$32,540,639	\$20,142,081
Brawl In Cell Block 99		BCB99, Inc.	NY	NY	\$3,033,037	\$3,550,449	376	40,257	\$1,238,652	\$909,911
Camp		Back Road Productions, Inc.	N/A		\$80,233	\$104,729	78	2,195	\$43,532	\$24,070
Catfight		Catfight Film, Inc.	NY	Kings	\$191,838	\$351,008	71	3,446	\$79,949	\$57,551
Crashing - Season 2	HBO	Crash For Gold Productions LLC	DE		\$17,579,401	\$22,853,223	3,368	203,791	\$8,227,744	\$5,273,820
Divorce - Season 2	HBO	On Bells Productions LLC	DE		\$26,335,159	\$42,767,373	3,078	281,038	\$12,114,722	\$7,900,548
Emily and Tim		Outliving Emily LLC	NY	NY	\$658,998	\$999,270	359	13,947	\$356,831	\$197,699
Fabled		Princess Charming, Inc.	NY	NY	\$313,049	\$400,330	100	5,154	\$92,609	\$93,915
Falling Water - Pilot	NBCU	Universal Network Television LLC	DE		\$6,071,376	\$7,361,478	963	67,203	\$3,068,580	\$1,821,413
First Match		Mini Mo Productions LLC	NY	Alb	\$816,774	\$1,455,219	300	19,624	\$439,079	\$245,032
Good Time		Romance Apocalypse LLC	NY	Alb	\$1,568,438	\$2,220,523	350	29,235	\$513,960	\$470,531
Love Thy Keepers		Love Thy Keepers LLC	NY	NY	\$1,125,859	\$1,650,039	79	13,484	\$231,402	\$357,597
The Marvelous Mrs. Maisel - Season 1	Amazon	Picrow Streaming, Inc.	CA		\$45,661,415	\$54,943,772	4,055	446,849	\$20,022,602	\$13,698,425
The Mimic		RSP 2017 Funding 003 LLC	NY	Queens	\$636,502	\$752,815	149	13,679	\$302,301	\$190,951
Oceans 8	WB	WB Studio Enterprises, Inc.	DE		\$63,605,015	\$102,628,900	4,698	565,683	\$28,460,525	\$19,081,504
One Percent More Humid		Man Hands, Inc.	NY	Ulster	\$684,185	\$1,144,303	174	13,951	\$308,663	\$205,256
Piercing		Piercing Film LLC	NY	NY	\$1,056,183	\$1,959,996	83	9,358	\$195,046	\$316,855
Private Life of a Modern Woman		Private Life Films, Inc.	NY	NY	\$703,106	\$1,220,706	105	6,435	\$291,486	\$210,932
Punisher - Season 1	ABC	ABC Studios	DE		\$46,165,315	\$62,838,595	2,932	448,789	\$21,388,003	\$13,849,595
Quantico - Season 2	ABC	ABC Studios	DE		\$73,535,528	\$99,362,936	4,878	714,083	\$33,778,012	\$22,060,658
Red Oaks - Season 3	Amazon	Picrow, Inc.	CA		\$10,861,005	\$16,355,483	1,044	116,694	\$5,615,058	\$3,258,301
Saturday Church		Saturday Church Production LLC	NY	NY	\$816,519	\$1,080,876	228	17,904	\$289,817	\$244,956
Set It Up		Set It Up, Inc.	NY	Erie	\$10,226,668	\$13,834,635	1,665	120,391	\$4,931,484	\$3,068,000

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
Snakeeater		Snakeeater Productions Corp	NY	Kings	\$154,930	\$200,580	82	5,190	\$87,963	\$46,479
Start Up - Pilot	SONY	Topanga Productions, Inc.	CA		\$3,769,200	\$4,818,210	657	42,496	\$1,971,120	\$1,130,760
Stella's Last Weekend		Stella Productions LLC	NY	Alb	\$1,041,366	\$1,422,766	268	19,775	\$417,802	\$312,410
Tango Shalom		Tango Shalom LLC	NY	NY	\$119,532	\$216,846	73	3,440	\$68,442	\$35,859
Three Christs		3C Productions, Inc.	NY	NY	\$3,309,077	\$4,736,302	490	45,702	\$1,689,190	\$992,723
To Dust		To Dust Productions, Inc.	NY	NY	\$1,045,628	\$1,233,699	181	20,256	\$425,910	\$313,689
Touched With Fire		Moonstruck Productions	NY	NY	\$2,380,093	\$3,068,668	531	44,441	\$1,152,926	\$714,028
The True Adventures of Wolfboy		KFilms Wolfboy LLC	DE		\$5,656,510	\$6,685,049	481	72,960	\$2,544,911	\$2,021,370
Unbreakable Kimmy Schmidt - Season 2	NBCU	Universal Television LLC	CA		\$28,724,872	\$40,545,812	2,820	157,318	\$13,546,205	\$8,617,462
Unbreakable Kimmy Schmidt - Season 3	NBCU	Universal Television LLC	CA		\$32,053,008	\$44,821,549	3,139	318,943	\$14,775,515	\$9,615,902
White Girl		WJL Film, Inc.	NY	NY	\$647,531	\$788,055	339	14,278	\$278,581	\$194,259
Wholly Broken		Choice Films, Inc.	NJ		\$149,317	\$181,002	67	3,794	\$105,369	\$44,795
				Totals	\$503,333,785	\$697,638,333	46,149	5,041,840	\$232,237,558	\$151,366,341

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
American Made		Mena Productions NY, Inc.	NY	NY	\$8,211,924	\$9,530,787	48	51,590	\$3,141,840	\$2,463,577
American Playboy: The Hugh Hefner Story		Stephen David Entertainment, LLC	NY	NY	\$3,226,556	\$3,794,100	41	13,252	\$1,225,108	\$967,967
Blood Stripe		Vermilion, Inc.	NY	NY	\$63,781	\$76,281	5	146	\$6,175	\$19,134
Dead Pigs		Dead Pigs, Inc.	NY	NY	\$391,473	\$467,911	6	4,600	\$163,420	\$117,442
Hap and Leonard - Season 3		Hap & Leonard Productions III LLC	DE		\$1,350,071	\$1,499,685	27	8,794	\$473,814	\$405,044
I, Tonya		AI Film St Post Production, Inc.	NY	NY	\$1,863,578	\$1,869,383	19	7,183	\$342,250	\$559,073
Impulse - Pilot	NBCU	Universal Cable Productions LLC	DE		\$504,167	\$509,082	9	4,953	\$276,944	\$151,250
The Last Tycoon - Season 1	SONY	Mesquite Productions, Inc.	CA		\$734,700	\$750,200	0	0	\$0	\$220,410
The Perfect Murder - Season 3		IMAM Productions LLC	NY	NY	\$803,832	\$853,444	10	8,304	\$552,228	\$241,150
Shadows Of Doubt - Season 2		Stephen David Entertainment LLC	NY	NY	\$923,605	\$936,105	13	6,556	\$317,311	\$277,081
Slice		Back Films LLC	IL		\$529,962	\$588,491	7	1,840	\$97,230	\$158,989
Star Trek - Season 1, Ep. 104	CBS	Streak Productions, Inc.	DE		\$292,700	\$292,700	0	0	\$0	\$87,810
When We First Met		First Met Productions NYS LLC	LA		\$536,136	\$605,284	11	5,507	\$235,881	\$160,841
White Boy Rick		Detroit City Productions LLC	CA		\$2,732,734	\$3,420,025	45	18,097	\$789,316	\$819,820
Wonderwell		Strange Quark Films LLC	CA		\$946,096	\$946,096	0	0	\$0	\$283,829
				Totals	\$23,111,315	\$26,139,574	241	130,822	\$7,621,517	\$6,933,417