



# Empire State Development

**FILM TAX CREDIT – QUARTERLY REPORT  
CALENDAR YEAR 2020: SECOND QUARTER  
JUNE 30, 2020**

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 April, May, and June 2020.

Production companies may be eligible to receive a fully refundable base line credit of 25 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.

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- Number of Projects, estimated credits of less than \$1 million: 2 projects/ \$451,566
- Number of Projects, estimated credits of \$1 million up to \$5 million: 2 projects/\$2,900,812
- Number of Projects, estimated credits of \$5 million or more: 2 projects/\$14,729,802

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 February 2021 and March 2021.

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

During the second quarter of 2020, the Film Tax Credit Program deemed 2 initial applications eligible to submit a final application for credits. The data in this report is based on those projects, which include 1 film and 1 series totaling over \$9M in estimated credits.

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

- April 2020, 2 initial applications received, estimated tax credits: \$9,015,318

Chart A shows the estimated number of hires, qualified costs, and total New York budget per project for the 2 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 2nd Quarter 2020</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
2547	247	\$6,872,065	\$10,354,541
2548	567	\$29,189,208	\$39,221,304
<b>Totals</b>	<b>814</b>	<b>\$36,061,273</b>	<b>\$49,575,845</b>

## INITIAL APPLICATIONS – POST-PRODUCTION CREDIT

During the second quarter of 2020, the Film Tax Credit Program deemed 4 initial applications for the post-production tax credit eligible to submit a final application for credits.

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

- April 2020, 3 initial applications received, estimated tax credits: \$1,634,362
- May 2020, 1 initial application received, estimated tax credits: \$7,432,500

Chart B shows the estimated number of hires, qualified costs, and total New York budget for each of the 4 post-production projects approved this quarter.

POST - PRODUCTION TAX CREDIT PROGRAM			
Chart B			
Initial Applications Submitted During The 2nd Quarter 2020			
ID	Number of Employees	Qualified Costs	Total NY Budget
711	0	\$1,383,000	\$1,383,000
712	43	\$4,731,186	\$5,637,189
713	0	\$423,264	\$423,264
714	51	\$29,730,000	\$40,890,000
<b>Totals</b>	<b>94</b>	<b>\$36,267,450</b>	<b>\$48,333,453</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 second quarter of 2020, 37 film projects and 6 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 43 projects.

- Chart C - The 37 film projects issued credits during this reporting period spent \$833.8M in New York State, hired 51,161 production workers and were issued credits of \$191.9M.
- Chart D - The 6 post-production project issued credit during this period spent \$13.9M in New York State, hired 107 production workers and was issued a credit of \$3.28M.

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
Learning to Drive		Learning to Drive Movie LLC	CA		\$3,004,574	\$4,101,637	290	43,610	\$1,234,527	\$901,372
Big House		Paradoxal	NY	Kings	\$351,924	\$412,258	83	7,316	\$118,268	\$105,577
My Art		My Art Productions, LLC	NY	Kings	\$103,083	\$297,215	81	1,596	\$37,726	\$30,925
Truth Slash Fiction		Schloss Creative LLC	NY	Kings	\$45,585	\$67,238	21	970	\$22,683	\$13,676
First We Take Brooklyn		Zealous Film, Inc.	NY	New York County (Manhattan)	\$436,592	\$629,367	103	41,400	\$174,693	\$130,978
No Alternative		No Alternative Productions, LLC	NY	Westchester County	\$119,300	\$250,865	148	4,955	\$78,173	\$35,790
Deception - Pilot	WB	Warner Bros	DE	N/A	\$9,988,215	\$11,630,395	1,543	92,395	\$4,139,672	\$2,996,464
Tick, The - S1	SONY	Mesquite Productions, Inc.	CA		\$39,902,593	\$50,657,597	2,420	353,598	\$17,021,597	\$11,970,778
I Think We're Alone Now		Now Alone Films Inc	NY	New York County (Manhattan)	\$2,744,644	\$3,739,547	242	36,871	\$1,103,093	\$823,393

Chart C Continued

Ranger, The		No Place To Party Productions Inc.	NY	New York County (Manhattan)	\$195,033	\$249,518	35	3,020	\$90,993	\$58,510
Night Comes On		NCO Film, Inc.	NY	New York County (Manhattan)	\$591,892	\$904,470	183	16,450	\$274,267	\$177,568
Blacklist Season 5	SONY	Woodbridge Productions Inc.	CA		\$75,603,481	\$102,545,341	4,592	796,232	\$35,027,965	\$22,681,044
Kevin Can Wait - S2	SONY	Woodbridge Prodn(SONY)	CA		\$24,775,762	\$51,144,980	1,358	234,652	\$11,599,931	\$7,432,729
Deception - S1	WB	Palladin Productions LLC	DE	N/A	\$42,642,172	\$50,857,347	3,012	397,663	\$19,649,099	\$12,792,652
Brittany Runs a Marathon		Brittany Productions, Inc.	NY	Kings County (Brooklyn)	\$3,737,845	\$5,144,074	919	48,616	\$1,519,992	\$1,117,147
Clover		Clover The Movie Production LLC	NY	Albany County	\$4,275,761	\$6,282,758	295	50,529	\$1,993,306	\$1,517,807
Banana Split		Eskimo Sisters LLC	NY	Onondaga County	\$56,388	\$1,313,587	280	20,122	\$396,124	\$20,503
Iron Fist - Season 2	ABC	Touchstone TV Prodns LLC	DE		\$41,022,222	\$48,964,153	2,608	389,671	\$18,652,387	\$12,193,558

Chart C Continued

Strangers - S2		Big Beach TV Productions LLC	NY	New York County (Manhattan)	\$12,956,424	\$18,582,565	1,948	154,982	\$6,700,427	\$3,886,927
Marvelous Mrs. Maisel, The - Season 2	Amazon	Picrow Streaming, Inc.	CA		\$71,529,295	\$86,849,873	4,413	642,481	\$30,971,682	\$21,850,766
Main Justice - Pilot	CBS	CBS Television Studios	DE		\$7,019,483	\$8,721,143	1,000	70,865	\$3,312,864	\$2,105,845
Report, The		Resolution 400 SPV Inc	NY	Kings County (Brooklyn)	\$8,022,055	\$10,728,355	1,074	87,805	\$3,770,076	\$2,406,617
After The Wedding		MPATW, LLC	DE		\$5,731,626	\$8,945,751	589	64,251	\$2,530,787	\$1,719,488
Sun Is Also A Star, The		Meteorite Productions LLC	NY	Albany County	\$8,578,034	\$10,120,831	1,552	101,081	\$4,136,480	\$2,573,410
Crown Vic		Crown Vic Productions LLC	GA		\$2,718,543	\$4,581,363	314	32,687	\$1,104,838	\$966,207
Jessica Jones - Season 3	ABC	ABC Studios	DE		\$49,561,620	\$61,234,037	3,691	475,239	\$23,098,522	\$14,868,486
Madam Secretary Season 5	CBS	Eye Productions Inc.	DE		\$67,347,255	\$89,183,949	5,351	633,365	\$29,331,776	\$20,204,176

Chart C Continued

High Maintenance - Season 3		HGMT, Inc.	NY	Albany County	\$10,835,694	\$14,751,830	1,513	126,898	\$6,029,316	\$3,252,021
Y - Pilot	FOX	Minim Productions, Inc.	CA		\$13,686,326	\$15,790,997	1,562	142,559	\$6,791,549	\$4,105,898
Rachael Ray 2018/2019	CBS	KWP Studios Inc.	CA		\$13,401,376	\$21,904,600	515	127,134	\$5,485,707	\$4,021,088
President Show Summer Special, The	Viacom	Central Productions LLC	DE		\$1,062,576	\$1,550,270	228	12,262	\$533,455	\$318,773
Panic - Pilot	Amazon	Picrow Streaming, Inc.	CA		\$7,516,972	\$8,839,653	761	80,381	\$3,792,361	\$2,339,750
Code, The - S1	CBS	CBS Television Studios	DE		\$56,045,765	\$65,839,850	3,808	502,479	\$26,073,259	\$16,813,729
Good Fight, The - S3	CBS	CBS Television Studios	DE		\$38,580,023	\$51,670,257	3,014	364,543	\$17,450,647	\$11,574,007
It's A Man's World - Pilot		Over the Pond Productions, Inc.	DE		\$1,576,998	\$2,147,648	279	18,179	\$864,500	\$473,100
Evil - Pilot	CBS	CBS Television Studios	DE		\$8,515,485	\$9,519,613	857	80,092	\$3,976,497	\$2,554,646
Half Empty - Pilot		Problem Attic Productions, Inc.	NY	New York County (Manhattan)	\$2,959,040	\$3,660,295	479	31,783	\$1,616,142	\$887,712
<b>Totals</b>					<b>\$637,241,656</b>	<b>\$833,815,227</b>	<b>51,161</b>	<b>6,288,732</b>	<b>\$290,705,381</b>	<b>\$191,923,117</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
Wetlands		Wetlands Productions, LLC.	NY	NY	\$690,298	\$782,796	12	5,957	\$297,633	\$213,520
Night School	NBCU	Night School Films LLC	CA		\$2,847,227	\$3,516,697	25	16,948	\$995,496	\$854,168
Triple Frontier	Netflix	Mules Productions, LLC	DE		\$5,197,646	\$7,278,145	63	29,794	\$1,987,213	\$1,559,294
Good Liar, The	WB	Redemption Pictures Inc.	CA		\$1,970,753	\$2,131,048	7	10,372	\$539,209	\$591,226
Unbelievable - S1	CBS	CBS Television Studios	CA		\$113,992	\$113,992	0	0	\$0	\$34,198
Republic of Sarah, The - Pilot	CBS	CBS Television Studios	CA		\$101,170	\$101,170	0	0	\$0	\$30,351
<b>Totals</b>					<b>\$10,921,086</b>	<b>\$13,923,848</b>	<b>107</b>	<b>63,071</b>	<b>\$3,819,551</b>	<b>\$3,282,757</b>