



# Empire State Development

**FILM TAX CREDIT – QUARTERLY REPORT  
CALENDAR YEAR 2016: THIRD QUARTER  
SEPTEMBER 30, 2016**

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, 2016.

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: 58 projects/ \$16,390,125
- Number of Projects, estimated credits of \$1 million up to \$5 million: 11 projects/\$31,167,062
- Number of Projects, estimated credits of \$5 million or more: **21 projects/\$293,538,340**

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 2016 and November 2017.

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

During the third quarter of 2016, the Film Tax Credit Program deemed 68 initial applications eligible to submit a final application for credits. The data in this report is based on those projects, which include 36 films, 5 pilots, and 27 series totaling over \$332.2MM in credits.

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

- July 2016, 24 initial applications received, estimated tax credits: **\$185,525,528**
- August 2016, 23 initial applications received, estimated tax credits: \$72,971,787
- September 2016, 21 initial applications received, estimated tax credits: \$73,691,131

Chart A shows the estimated number of hires, qualified costs, and total New York budget per project for the 68 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.

NYS FILM TAX CREDIT PROGRAM			
Chart A			
Initial Applications Submitted During 3rd Quarter 2016			
ID	Number of Employees	Qualified Costs	Total NY Budget
1665	70	\$308,860	\$373,805
1698	8,498	\$70,463,954	\$90,926,154
1699	2,263	\$20,192,050	\$26,274,263
1700	2,341	\$47,868,448	\$81,173,196
1701	133	\$640,543	\$1,049,688
1702	1,318	\$15,433,852	\$21,780,217
1703	12,230	\$67,714,998	\$103,589,958
1704	550	\$7,083,951	\$9,981,340
1705	6,216	\$74,353,349	\$95,443,923
1708	3,317	\$36,728,440	\$42,685,502
1709	105	\$2,044,120	\$3,357,652
1710	8,966	\$69,730,618	\$89,041,058
1712	278	\$771,165	\$1,250,000
1713	72	\$558,251	\$857,945
1714	47	\$480,950	\$699,978
1715	3,815	\$74,175,806	\$98,064,396
1716	2,067	\$38,798,161	\$50,641,949
1717	73	\$142,500	\$160,200
1719	192	\$459,219	\$600,117
1721	60	\$480,949	\$700,207
1722	1,720	\$17,992,138	\$24,310,346
1723	45	\$5,377,821	\$6,388,681
1725	303	\$3,229,253	\$4,677,268
1726	157	\$624,068	\$839,279
1727	2,122	\$68,546,689	\$84,475,113
1729	1,187	\$12,415,188	\$19,790,956
1730	72	\$144,863	\$222,141
1731	244	\$3,712,902	\$4,943,098
1732	40	\$337,590	\$447,069
1733	624	\$1,770,492	\$4,019,382
1734	1,563	\$15,889,195	\$23,075,527
1735	5,063	\$45,485,592	\$63,008,185
1736	415	\$55,236,228	\$87,442,371
1737	100	\$208,722	\$249,993
1738	154	\$18,231,917	\$30,192,762

<b>Chart A Continued – Initial Applications Submitted During 3<sup>rd</sup> Quarter 2016</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
1739	158	\$16,211,394	\$23,831,880
1740	95	\$506,612	\$835,611
1741	337	\$4,012,169	\$4,807,521
1742	260	\$2,991,725	\$3,723,736
1743	242	\$1,025,982	\$1,310,902
1744	148	\$932,315	\$1,458,659
1745	63	\$150,717	\$199,673
1746	1,641	\$18,464,225	\$28,220,046
1747	635	\$22,466,151	\$30,832,464
1748	2,866	\$56,349,930	\$89,561,640
1749	119	\$337,121	\$489,720
1750	49	\$198,141	\$238,485
1751	1,107	\$10,233,049	\$11,929,363
1752	80	\$149,625	\$160,868
1753	5,386	\$49,852,014	\$63,028,909
1754	311	\$2,040,927	\$2,373,083
1755	106	\$671,883	\$838,834
1756	327	\$44,895,277	\$94,115,280
1757	848	\$39,136,050	\$53,475,543
1758	96	\$1,000,000	\$1,248,500
1759	84	\$429,187	\$524,993
1760	189	\$1,302,493	\$1,925,271
1761	55	\$160,009	\$192,005
1762	102	\$312,759	\$427,718
1763	475	\$1,910,538	\$2,632,520
1764	77	\$346,252	\$496,920
1765	1,108	\$9,502,632	\$15,433,101
1766	103	\$260,724	\$398,102
1767	2,578	\$41,779,102	\$51,324,674
1768	54	\$226,403	\$248,403
1769	29	\$35,153	\$48,917
1774	101	\$1,196,022	\$1,651,226
1784	62	\$138,313.00	\$156,728.00
<b>Totals</b>	<b>86,311</b>	<b>\$1,106,857,736</b>	<b>\$1,560,875,014</b>

## INITIAL APPLICATIONS – POST-PRODUCTION CREDIT

During the third quarter of 2016, the Film Tax Credit Program deemed 22 initial applications for the post-production tax credit eligible to submit a final application for credits.

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

- July 2016, 9 initial applications received, estimated tax credits: \$3,099,023
- August 2016, 7 initial applications received, estimated tax credits: \$3,103,269
- September 2016, 6 initial applications received, estimated tax credits: \$2,704,789

Chart B shows the estimated number of hires, qualified costs, and total New York budget for each of the 22 post-production projects approved this quarter.

POST - PRODUCTION TAX CREDIT PROGRAM			
Chart B			
Initial Applications Submitted During 2nd Quarter 2016			
ID	Employees	Qualified Costs	Total NY Budget
330	12	\$515,497	\$608,802
331	5	\$502,761	\$883,633
332	21	\$1,354,839	\$1,430,250
333	6	\$376,500	\$406,500
334	8	\$323,185	\$348,685
335	11	\$1,796,239.00	\$1,796,239.00
336	16	\$2,311,421	\$3,059,539
338	9	\$2,618,158	\$2,618,158
339	0	\$900,000	\$900,000
340	22	\$1,523,992	\$2,071,829
341	10	\$543,000	\$543,000
342	26	\$4,018,052	\$5,028,415
343	3	\$454,041	\$460,191
344	20	\$3,198,954	\$3,714,324
345	0	\$15,000	\$15,000
346	8	\$93,550	\$98,968
347	28	\$216,666	\$274,171
348	8	\$2,852,530	\$3,175,771
349	29	\$2,839,994	\$3,043,394
350	12	\$1,019,136	\$1,019,136
351	37	\$1,465,348	\$1,926,755
353	48	\$745,408	\$835,408
<b>Totals</b>	339	\$29,684,271	\$34,258,168

## **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 2016, 30 film projects and 5 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 35 projects.

- Chart C - The 30 film projects issued credits during this reporting period spent \$664MM in New York State, hired 45,174 production workers and were issued credits of \$158.8MM.
- Chart D - The 5 post-production projects issued credits during this period spent \$10.2MM in New York State, hired 106 production workers and were issued credits of \$2.4MM.

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
Loitering With Intent		Citizen Third Class Inc.	NY	Kings	\$391,836	\$391,836	115	9,670	\$160,823	\$117,551
Kelly & Cal		Kelly & Cal Productions, LLC	NY	NASS	\$730,136	\$1,111,431	172	16,216	\$279,668	\$219,041
Elementary Season 2		Eye Productions Inc.	DE		\$62,486,380	\$77,648,744	3,584	674,810	\$29,823,635	\$18,745,914
American Side		Teslafire Inc.	NY	NY	\$1,327,831	\$1,612,968	188	25,174	\$543,165	\$398,349
While We're Young		Power Elite LLC	NY	Kings	\$9,629,837	\$11,063,493	1,363	117,343	\$4,662,256	\$2,888,951
Friends and Romans		Far Film Inc.	NY	NY	\$652,501	\$820,518	217	19,960	\$286,392	\$195,694
Time Out Of Mind		Time Out Of Mind Inc.	NY	NY	\$3,381,811	\$4,428,921	676	51,437	\$1,575,369	\$1,014,543
Dark		Blackout LLC	NJ		\$131,877	\$241,464	42	5,342	\$68,884	\$39,563
Gotham 14/15 - Season 1	WB	Warner Bros Television	DE		\$74,388,890	\$92,315,531	4,887	781,981	\$33,930,180	\$22,316,667
Forever Season 1	WB	Warner Bros. Television	DE		\$55,326,458	\$67,067,184	3,989	574,074	\$25,709,343	\$16,597,938
Following Season 3 (14/15)	WB	Bonanza Productions, Inc.	CA		\$40,325,924	\$53,152,814	3,934	433,975	\$18,669,502	\$12,097,777
Unbreakable Kimmy Schmidt Season 1		Universal Television LLC	CA		\$24,156,398	\$34,207,913	2,316	269,536	\$11,868,871	\$7,246,919
Ricki and the Flash	SONY/COLUMBIA	Tristar Productions, Inc.	CA		\$17,640,815	\$30,259,070	1,464	185,974	\$8,531,027	\$5,292,244
Eye Candy Season 1	Viacom	Viacom International Inc.	DE		\$14,276,916	\$20,148,973	1,999	179,835	\$7,435,818	\$4,283,075
Unfiltered		Unfiltered, LLC	DE		\$60,688	\$99,337	91	1,175	\$27,161	\$18,206
Show Me A Hero	HBO	Nimby Productions, LLC	NY	NY	\$27,283,207	\$36,749,029	3,381	342,996	\$13,360,991	\$8,184,962
Eleven Fifty Five Holyoke		1155 Holyoke, Inc.	NY	NY	\$428,409	\$569,603	152	11,609	\$142,608	\$128,523
No Hookups Please		Swipe Right Series LLC	NY	NY	\$124,496	\$169,682	55	4,144	\$86,455	\$37,349
Happyish Season 1	Showtime	Possible Productions Inc.	NY	NY	\$28,282,116	\$35,227,413	2,424	268,064	\$12,570,764	\$8,484,635
Teenage Mutant Ninja Turtles 2	Viacom/Paramount	Paramount Pictures Corporation	DE		\$62,967,076	\$79,895,992	4,782	590,157	\$29,306,528	\$19,217,477
Difficult People Season 1	Viacom	Difficult People, LLC	NY	NY	\$5,727,027	\$8,431,254	1,010	84,041	\$2,783,498	\$1,718,108

Chart C continued – 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
Violet Season 1	DISNEY/A BC	ABC Studios	DE		\$48,332,589	\$62,944,634	3,749	487,564	\$21,055,247	\$19,499,777
My First Miracle		My Last Christmas The Movie, LLC	NY	Nassau	\$184,196	\$313,301	59	6,858	\$92,804	\$55,259
Border Crossing		Bette Gordon Production, Inc.	NY	Kings	\$1,883,465	\$2,334,059	360	28,234	\$821,250	\$565,039
Neon Joe Werewolf Hunter Mini-Series		PFFR CoCor Inc.	NY	NY	\$1,767,667	\$3,294,864	253	28,391	\$831,710	\$530,300
Benders Season 1		Benders Productions I LLC	DE		\$3,654,163	\$5,095,817	461	45,417	\$1,823,425	\$1,096,249
Thirty Seven(37)		Bystanders, LLC	NY	Kings	\$799,712	\$989,240	156	18,752	\$382,100	\$239,914
Going In Style	WB	New Line Productions, Inc.	CA		\$19,375,822	\$25,748,862	2,419	205,305	\$9,577,560	\$5,812,747
Horace & Pete		Pig Newton, Inc.	NY	Colu.	\$3,951,995	\$4,483,960	380	40,991	\$1,556,171	\$1,185,598
Breaking Brooklyn		B4D Production Services, LLC	NY	Kings	\$2,020,027	\$3,229,888	496	32,796	\$941,591	\$606,008
<b>Totals</b>					<b>\$511,690,265</b>	<b>\$664,047,795</b>	<b>45,174</b>	<b>5,541,821</b>	<b>\$238,904,796</b>	<b>\$158,834,377</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 Amt.
Greater		Greater Productions, LLC	AR		\$355,815	\$355,815	7	2,236	\$115,041	\$106,744
Me and Earl and the Dying Girl		MEDG Films LLC	NY	NY	\$726,184	\$1,266,430	13	5,788	\$236,462	\$217,855
Mortdecai	Lionsgate	Mort Productions Limited	UK		\$3,494,194	\$4,022,306	52	26,607	\$1,770,168	\$1,048,258
Love The Coopers	CBS	CBS Films Inc.	CA		\$3,552,430	\$4,408,934	34	13,273	\$825,549	\$1,065,729
Frankenstein Pilot	Twentieth Century Fox	Twentieth Century Fox Television	CA		\$157,907	\$157,907	0	0	\$0	\$47,372
<b>Total</b>					<b>\$8,286,530</b>	<b>\$10,211,392</b>	<b>106</b>	<b>47,904</b>	<b>\$2,947,220</b>	<b>\$2,485,958</b>