



# Empire State Development

**FILM TAX CREDIT – QUARTERLY REPORT  
CALENDAR YEAR 2019: FOURTH QUARTER  
DECEMBER 31, 2019**

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 2019.

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: 45 projects/ \$10,883,846
- Number of Projects, estimated credits of \$1 million up to \$5 million: 14 projects/\$29,822,577
- Number of Projects, estimated credits of \$5 million or more: 11 projects/\$147,191,325

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 2019 and July 2021.

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

During the fourth quarter of 2019, the Film Tax Credit Program deemed 45 initial applications eligible to submit a final application for credits. The data in this report is based on those projects, which include 26 films, 4 pilots, and 15 series totaling over \$175.7MM in estimated credits.

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

- October 2019, 19 initial applications received, estimated tax credits: \$111,548,255
- November 2019, 15 initial applications received, estimated tax credits: \$33,962,775
- December 2019, 11 initial applications received, estimated tax credits: \$30,218,012

Chart A shows the estimated number of hires, qualified costs, and total New York budget per project for the 45 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 2019</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
2404	484	\$14,128,834	\$19,780,271
2405	126	\$62,150	\$70,075
2406	74	\$542,429	\$829,600
2407	3,430	\$62,722,279	\$86,285,178
2408	19	\$51,780	\$67,780
2409	359	\$38,496,297	\$43,268,377
2410	289	\$13,837,156	\$20,696,555
2411	1,000	\$42,588,471	\$54,354,579
2412	4,479	\$71,460,299	\$99,477,137
2413	75	\$194,650	\$247,303
2414	351	\$777,341	\$1,018,971
2416	456	\$4,622,514	\$6,408,777
2417	1,439	\$17,333,049	\$22,956,331
2418	30	\$77,697	\$117,685
2419	48	\$360,191	\$535,984
2420	5,019	\$53,398,390	\$70,168,853
2421	83	\$1,186,490	\$1,364,201
2422	2,048	\$41,364,884	\$58,130,910
2423	172	\$735,504	\$1,064,207
2424	320	\$3,930,093	\$5,124,268
2425	123	\$1,273,667	\$1,492,627
2426	115	\$1,261,173	\$2,000,183
2427	2,657	\$82,076,449	\$111,131,779
2428	63	\$444,511	\$599,572
2429	281	\$3,102,938	\$5,188,329
2430	1,350	\$11,934,761	\$19,066,543
2431	30	\$182,912	\$247,764
2432	131	\$200,007	\$289,186
2433	169	\$747,337	\$898,918
2434	155	\$7,613,540	\$11,195,345
2435	125	\$177,787	\$237,818
2436	72	\$415,602	\$542,535
2437	42	\$200,919	\$249,620
2438	190	\$1,581,474	\$1,965,964
2439	688	\$6,015,010	\$7,103,407
2440	69	\$668,877	\$823,301

<b>Chart A continued</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
2441	22	\$95,554	\$124,270
2442	1,276	\$31,731,574	\$48,851,969
2443	349	\$9,532,115	\$17,722,680
2444	108	\$1,204,500	\$1,434,734
2445	2,746	\$31,012,349	\$43,189,291
2446	37	\$112,041	\$121,656
2447	111	\$4,644,634	\$5,623,710
2448	226	\$14,743,451	\$28,047,941
2449	65	\$48,979	\$55,879
<b>Totals</b>	<b>31,501</b>	<b>\$578,892,659</b>	<b>\$800,172,063</b>

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

During the fourth quarter of 2019, the Film Tax Credit Program deemed 25 initial applications for the post-production tax credit eligible to submit a final application for credits.

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

- October 2019, 12 initial applications received, estimated tax credits: \$6,569,248
- November 2019, 10 initial applications received, estimated tax credits: \$3,944,720
- December 2019, 3 initial applications received, estimated tax credits: \$1,654,738

Chart B shows the estimated number of hires, qualified costs, and total New York budget for each of the 25 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 2019</b>			
<b>ID</b>	<b>Number of Employees</b>	<b>Qualified Costs</b>	<b>Total NY Budget</b>
650	8	\$35,180	\$43,355
651	0	\$437,477	\$437,477
653	12	\$4,157,048	\$4,551,985
654	0	\$800,000	\$800,000
655	10	\$1,810,136	\$1,837,805
656	7	\$724,031	\$777,931
657	57	\$4,406,654	\$4,631,982
658	30	\$3,985,108	\$3,985,108
661	11	\$2,007,726	\$2,116,826

662	9	\$2,244,215	\$2,403,427
663	6	\$913,923	\$1,000,017
664	11	\$3,228,073	\$4,170,073
665	6	\$134,318	\$149,318
667	0	\$376,000	\$376,000
668	8	\$314,639	\$434,639
669	0	\$231,000	\$231,000
670	15	\$568,023	\$596,020
671	5	\$670,176	\$820,176
672	7	\$3,635,725	\$3,635,725
673	0	\$2,489,500	\$2,489,500
674	0	\$1,358,553	\$1,358,553
675	0	\$436,040	\$436,040
676	10	\$4,583,520	\$4,583,520
677	16	\$511,835	\$591,835
679	0	\$420,440	\$420,440
<b>Totals</b>	<b>228</b>	<b>\$40,479,340</b>	<b>\$42,878,752</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 2019, 29 film projects and 4 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 33 projects.

- Chart C - The 29 film projects issued credits during this reporting period spent \$770.1MM in New York State, hired 39,990 production workers and were issued credits of \$163.7MM.
- Chart D - The 4 post-production projects issued credits during this period spent \$9.3MM in New York State, hired 113 production workers and were issued credits of \$2.5MM.

**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>
Kevin Can Wait - Season 1	SONY	Woodridge Productions, Inc.	CA		\$24,103,839	\$46,419,619	1,503	226,078	\$11,549,673	\$7,231,152
Drew - Pilot	CBS	CBS Studios, Inc.	DE		\$5,268,862	\$6,679,955	823	59,093	\$2,703,778	\$1,580,659
We the Animals		Us Three LLC	DE		\$1,168,118	\$1,558,202	162	26,223	\$463,997	\$386,437
The Good Fight - Season 2	CBS	CBS Television Studios	DE		\$44,529,171	\$60,379,075	3,716	456,497	\$20,630,146	\$13,358,751
Gotham - Season 4	WB	Main Gate Productions LLC	DE		\$89,276,435	\$109,037,864	4,927	883,192	\$43,213,646	\$26,782,931
Erase - Pilot	NBCU	Universal Cable Productions LLC	DE		\$7,569,749	\$9,628,703	1,132	76,919	\$3,675,861	\$2,270,925
Urge		Urge Productions LLC	NY	NY	\$5,914,932	\$13,621,762	927	88,134	\$3,284,929	\$1,774,480
After Louie		After Louie LLC	NY	Kings	\$304,372	\$416,266	62	5,126	\$129,556	\$91,312
Already Gone		Green Dolphin Film LLC	NY	Ulster	\$710,223	\$965,780	181	15,575	\$365,231	\$235,866
Fire Island Thriller		Fire Island Thriller LLC	NY	NY	\$160,055	\$227,945	48	2,324	\$51,247	\$48,017
FKA Turning Point		AP Production Services, Inc.	NY	NY	\$730,673	\$887,441	178	10,999	\$313,694	\$219,202
Isn't It Romantic	WB	New Line Productions, Inc.	CA		\$28,396,323	\$38,792,531	2,602	281,405	\$13,972,120	\$8,518,897
Sneaky Pete - Season 2	SONY	Mesquite Productions, Inc.	CA		\$37,699,425	\$50,611,805	2,881	397,006	\$18,634,350	\$11,309,827
Pose - Season 1	FOX	Pacific 2.1 Entertainment Group, Inc.	CA		\$50,933,264	\$60,737,321	3,218	508,394	\$23,946,251	\$15,279,979
Every Time I Die		Sara the Film Production Services Corp.	NY	Kings	\$430,309	\$599,409	150	8,699	\$157,820	\$139,962
Abe		Abe Movie, Inc.	NY	NY	\$482,518	\$610,812	273	9,746	\$299,712	\$144,755
Someone Great	Netflix	Brainstorm Consequences, Inc.	NY	NY	\$5,984,560	\$8,340,832	1,125	25,452	\$3,083,190	\$1,795,368
Nurse - Pilot	SONY	Topanga Productions, Inc.	CA		\$9,160,595	\$11,014,789	861	92,997	\$4,578,343	\$2,748,179
Gotham - Season 3	WB	Warner Bros. Television	DE		\$83,921,425	\$104,173,700	4,634	846,939	\$40,661,054	\$25,176,428

Chart C Continued										
PROJECT	Studio	Company	State of Inc.	County	Qualified Costs	NYS Spend	Total Hires	Credit Eligible Hours	Credit Eligible Wages	Credit Eligible Amount
Saturday Night Live - Season 43	NBCU	Universal Television LLC	DE		\$59,485,214	\$95,873,049	2,720	463,864	\$28,106,534	\$17,845,564
Random Acts of Flyness - Season 1		Ministry of Creative Reasoning LLC	DE		\$2,411,720	\$3,682,503	593	36,610	\$1,042,691	\$723,516
Instinct - Season 2	CBS	CBS Television Studios	DE		\$44,709,058	\$58,045,832	3,818	443,839	\$21,054,060	\$13,412,717
Lighthouse Unmanned		Keepers LLC	MI		\$69,126	\$91,567	9	0	\$0	\$20,738
Tonight Show Starring Jimmy Fallon - Season 2	NBCU	Universal Television LLC	NY	NY	\$36,178,058	\$79,087,709	2,334	322,578	\$15,982,122	\$10,853,417
Becks		Becks Movie LLC	NY	NY	\$364,041	\$509,276	78	6,985	\$95,378	\$109,212
Asher		Asher Productions, Inc.	NY	Onondaga	\$2,926,697	\$4,221,619	512	46,965	\$1,373,720	\$920,158
A Vigilante		Mother Hawk, Inc.	NY	Kings	\$1,132,861	\$2,109,484	209	22,929	\$553,402	\$380,794
The Second Sun		Second Sun Films, Inc.	NY	Kings	\$615,960	\$765,263	89	12,954	\$317,937	\$184,788
The Awakening		The Awakening LLC	PA		\$766,274	\$1,037,483	225	13,932	\$316,424	\$255,301
<b>Totals</b>					<b>\$545,403,857</b>	<b>\$770,127,596</b>	<b>39,990</b>	<b>5,391,454</b>	<b>\$260,556,866</b>	<b>\$163,799,332</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
Block Island		Block Island Productions LLC	NJ		\$46,931	\$52,709	5	318	\$10,720	\$14,080
The Ballad of Buster Scruggs		Pan Shot Productions, Inc.	NY	NY	\$4,765,181	\$5,303,382	58	20,995	\$1,250,349	\$1,429,554
Dreamland		Bismark Post, Inc.	NY	NY	\$798,401	\$861,101	20	8,931	\$249,892	\$241,535
The Purge - Season 1		BH Purge 1 LLC	NY	NY	\$2,910,233	\$3,135,762	30	16,374	\$920,345	\$873,070
<b>Totals</b>					<b>\$8,520,746</b>	<b>\$9,352,954</b>	<b>113</b>	<b>46,618</b>	<b>\$2,431,306</b>	<b>\$2,558,239</b>