



CALIFORNIA FILM COMMISSION COMPLETES 2nd APPLICATION PERIOD FOR EXPANDED TAX CREDIT PROGRAM; ALLOCATION FOR NON-INDIE FEATURES AND INDIE PROJECTS DRAWS 254 APPLICATIONS

Hollywood, Calif. – July 28, 2015 – The California Film Commission today announced that 254 projects applied for the second round of the state’s recently expanded Film and Television Tax Credit Program 2.0.

The \$55.2 million round includes \$48.3 million for non-independent feature films, and \$6.9 million for independent projects*. The application period ran from July 13 to July 25. During that time, the Film Commission received 32 applications for the non-independent feature category, and 222 applications for independent projects.

Selection for tax credits will be based on each project’s jobs ratio score, which provides a ranking according to wages paid to below-the-line workers, as well as qualified spending for vendor payments/equipment, etc. and other criteria. The top 200% ranked projects were notified yesterday (July 27) that they have been selected to begin “Phase-Two” of the process for further evaluation to ensure eligibility. The Film Commission will assign credits to the highest ranking projects until the \$48.3 million and \$6.9 million funding buckets have been allocated. Projects in the top 200% that were not assigned credits will be placed on a waiting list. The film commission expects to notify the tax credit recipients by mid-August.

The current application/allocation round follows the program’s very successful launch, which commenced with the first application period May 11-17 for non-independent TV projects. A total of 37 projects applied for the initial \$82.2 million in funding, which included \$55.2 million for new series, miniseries, MOWs and pilots, and \$27.6 million reserved specifically for series relocating to California from out-of-state. Of the 37 projects that applied, eight new TV series and pilots have been selected for tax credits, along with four relocating series (data current as of July 24 – note the number of projects selected for tax credits during each allocation round is subject to change due to production status).

The current inaugural year of California’s Film and Television Tax Credit Program 2.0 will provide a total of \$230 million in tax credits to eligible projects. An additional \$100 million has been allocated to the final year of the state’s expiring, first-generation tax credit program.

Under the new program, tax credits are allocated in “buckets” for different categories of production, including TV projects (new series, miniseries, MOWs and pilots), relocating TV series, independent films and non-independent films. This enables applicants to compete for credits directly against comparable projects.

Consistent with the state's prior (first) tax credit program enacted in 2009, the new program awards tax credits only after selected projects: 1) complete post-production, 2) verify the creation of in-state jobs (in accordance with their jobs-ratio score under the new program), and 3) provide all required documentation, including audited cost reports.

The schedule for additional application periods during the current fiscal year is as follows:

- November 30 – December 6 (non-independent TV projects)
- January 11 – 24 (non-independent feature films and independent projects)
- February 15 – 21 (non-independent TV projects)

More information about California's Film and Television Tax Credit Program 2.0, including application procedures, eligibility, program guidelines, etc., is available at film.ca.gov/incentives.

About the California Film Commission

The California Film Commission enhances California's status as the leader in motion picture, television and commercial production. It supports productions of all sizes and budgets, and focuses on activities that stimulate and preserve production spending, jobs and tax revenues in California. Services include administration of the state's Film & Television Tax Credit Program, permits for filming at state-owned facilities, an extensive digital location library, location assistance and a range of other production-related resources and assistance. More information is available at <http://www.film.ca.gov>.

*The "Non-Independent" vs. "Independent" distinction is based on whether a company is publicly-traded/partially owned by a publicly-traded company or privately-held (this definition is straight from the tax credit legislation). Tax credits for non-independent projects are non-transferable (i.e., may be used only by the production company to offset in-state tax liability), while credits for independent projects may be transferred.

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