



California's Film/TV Tax Credit Program Gains Latest Relocating TV Series

*HBO's "Ballers" Will Move Season 3 Production from Florida to Employ
Nearly 350 Cast and Crew in the Golden State*

Hollywood, Calif. – November 30, 2016 – California's expanded Film & Television Tax Credit Program 2.0 continues to lure TV projects from other states with the addition of HBO's "Ballers," which will receive credits to relocate from Florida for its third season of production.

"Ballers" is the seventh TV series* to relocate to California via the expanded tax credit program that went into effect in 2015. Each such project brings hundreds of steady jobs and tens of millions of dollars in spending. "Ballers" is scheduled to shoot its next 10 episodes in California, where it will employ 135 cast, 209 base crew and 5,700 extras. Production will generate an estimated \$33.5 million in "qualified expenditures," defined as wages paid to below-the-line workers and payments to in-state vendors. Based on these figures, "Ballers" is conditionally approved for a tax credit reservation of \$8.3 million.

"We're thrilled to welcome another TV series and the long-term jobs it will create in-state," said California Film Commission Executive Director Amy Lemisch. "Our expanded tax credit program was designed to target such projects, and it's working precisely as intended."

Due to the program's success in attracting long-term TV series, the latest tax credit application period (held November 14 – 29) was reserved for newly relocating series and recurring series already in the program. In addition to "Ballers," 22 existing TV projects (see full list below) in various stages of production are currently in the program.

Lemisch added that the program's ongoing success affirms California's strong advantage as a production locale. "The industry responds very favorably whenever we're able to level the tax credit playing field."

The next TV project application period for California's Film & Television Tax Credit Program 2.0 will be held February 10 – 17, 2017. As the final TV application period for year-two (fiscal 2016-17) of the program, it will be bolstered by any unused funds earmarked for TV projects earlier in the year. Eligibility will therefore be open to new series, new pilots, relocating series and recurring series already in the program. The next film project allocation period will be held January 2 – 13, 2017 for independent and non-independent (studio) feature films.

How Tax Credit Program 2.0 Works

Projects approved for California tax credits are selected based on their jobs ratio score, which ranks each project by wages to below-the-line workers, qualified spending for vendors, equipment, etc., and other criteria. The top 200% ranked projects in each round (i.e., those that would qualify if double the

amount of funding was available for the current allocation round) are evaluated, and those with the highest-ranked jobs ratios receive tax credits. Those not selected are placed on the waiting list.

The expanded tax credit program allocates funding in “buckets” for different production categories, including non-independent feature films, independent films, TV projects and relocating TV series. This enables applicants to compete for credits directly against comparable projects.

As has been the case since the state launched its first-generation tax credit program in 2009, the California Film Commission awards tax credits only after each selected project: 1) completes post-production, 2) verifies that in-state jobs were created, and 3) provides all required documentation, including audited cost reports.

More information about California’s Film and Television Tax Credit Program 2.0, including application procedures, eligibility and guidelines, is available at <http://film.ca.gov/incentives>.

About California’s Film and Television Tax Credit Program 2.0

On September 18, 2014, Governor Brown signed bipartisan legislation to more than triple the size of California’s film and television production incentive, from \$100 million to \$330 million annually. Aimed at retaining and attracting production jobs and economic activity across the state, the California Film and TV Tax Credit Program 2.0 also extends eligibility to include a range of project types (big-budget feature films, TV pilots and 1-hr TV series for any distribution outlet) that were excluded from the state’s first-generation tax credit program. Other key changes include replacing the prior lottery system with a “jobs ratio” ranking system that selects projects based on wages paid to below-the-line workers, qualified spending (for vendors, equipment, etc.) and other criteria. Program 2.0 also offers an additional five percent tax credit for non-independent projects that shoot outside the Los Angeles 30-mile zone or have qualified expenditures for visual effects or music scoring/track recording.

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 jobs, spending 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>.

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*The other six TV series that have relocated to California due to the state’s expanded tax credit program are: *American Horror Story* and *Scream Queens* from Louisiana, *Mistresses* from Vancouver, *Secrets & Lies* from North Carolina, *Veep* from Maryland and *American Crime* from Texas.

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California Film & TV Tax Credit Program 2.0

Ongoing Program 2.0 TV Series (Various Stages of Production)

Production Title	Production Type	Company Name
13 Reasons Why	Recurring TV	Paramount Television
American Crime	Recurring TV	ABC Studios
American Horror Story	Recurring TV	Twentieth Century Fox Film Corporation
Animal Kingdom	Recurring TV	Horizon Scripted Television, Inc.
Ballers	Relocating TV	HBO
Citizen	Recurring TV	Paramount Television
Code Black	Recurring TV	ABC Studios
Crazy Ex Girlfriend	Recurring TV	CBS Studios, Inc.
Famous in Love	Recurring TV	Horizon Scripted Television, Inc.
Good Girls Revolt, The	Recurring TV	Mesquite Productions, Inc.
I'm Dying Up Here	Recurring TV	Showtime
Pitch	Recurring TV	Twentieth Century Fox Film Corporation
Pure Genius	Recurring TV	Universal Television, LLC
Rebel	Recurring TV	BET Productions II, Inc.
Rosewood	Recurring TV	Twentieth Century Fox Film Corporation
Scream Queens	Recurring TV	Twentieth Century Fox Film Corporation
Secrets and Lies	Recurring TV	ABC Studios
Shooter	Recurring TV	Paramount Television
Snowfall	Recurring TV	Twentieth Century Fox Film Corporation
Sweet/Vicious	Recurring TV	Viacom International, Inc.
This is Us	Recurring TV	Twentieth Century Fox Film Corporation
Veep	Recurring TV	Second in Command Productions, LLC
Westworld	Recurring TV	HBO

NOTES:

- The above list will likely be revised, as applicants may withdraw from the program.
- Credit allocation will be issued to recurring TV series if/when they provide pick up orders for additional episodes or new seasons.
- “Recurring Series” is defined as a TV Series or Relocating TV Series (in its second or subsequent season in California) that has received a previous allocation of tax credits.
- “Relocating TV Series” is a TV Series that filmed its most recent season outside California.