



Empire State Development

**FILM TAX CREDIT – QUARTERLY REPORT
CALENDAR YEAR 2016: FIRST QUARTER
MARCH 31, 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 January, February, and March, 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: 29 projects/ \$7,773,841
- Number of Projects, estimated credits of \$1 million up to \$5 million: 19 projects/\$40,538,896
- Number of Projects, estimated credits of \$5 million or more: 4 projects/\$41,015,329

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 2016 and December 2016.

INITIAL APPLICATIONS – FILM PRODUCTION CREDIT

During the first quarter of 2016, the Film Tax Credit Program deemed 36 initial applications eligible to submit a final application for credits. The data in this report is based on those projects, which include 16 films, 8 pilots, and 12 series totaling over \$86MM in credits.

INITIAL APPLICATIONS – FILM PRODUCTION CREDIT – BY MONTH

- January 2016, 9 initial applications received, estimated tax credits: \$16,076,762
- February 2016, 18 initial applications received, estimated tax credits: \$50,347,727
- March 2016, 9 initial applications received, estimated tax credits: \$20,178,495

Chart A shows the estimated number of employees, qualified costs and total New York budget per project for the 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 1st Quarter 2016

ID	Number of Employees	Qualified Costs	Total New York Budget
1612	677	\$5,287,453	\$8,133,515
1613	233	\$4,338,452	\$10,292,958
1614	291	\$4,872,129	\$7,113,885
1615	453	\$3,973,918	\$4,720,027
1616	18	\$49,403	\$68,451
1617	803	\$1,677,657	\$2,350,000
1618	222	\$3,952,702	\$4,448,503
1619	90	\$1,756,601	\$2,616,022
1620	2356	\$27,680,894	\$39,811,627
1621	5939	\$38,247,817	\$44,712,738
1622	699	\$7,984,034	\$9,384,358
1623	150	\$484,930	\$681,179
1624	71	\$382,221	\$476,591
1625	271	\$7,167,548	\$8,492,517
1626	371	\$918,348	\$1,495,778
1627	297	\$3,039,212	\$5,993,588
1628	45	\$157,909	\$223,374
1629	1806	\$12,796,028	\$18,125,567
1630	1576	\$3,678,952	\$5,065,696
1631	633	\$8,034,614	\$11,537,871
1633	3336	\$15,626,964	\$22,771,256
1634	314	\$3,273,347	\$4,808,894
1635	885	\$7,945,639	\$8,139,739
1636	1058	\$37,968,666	\$57,997,499
1637	674	\$5,235,718	\$6,852,909
1638	113	\$237,362	\$359,440
1640	3956	\$32,820,387	\$44,685,463
1641	1456	\$11,890,408	\$13,914,257
1642	552	\$5,445,990	\$7,494,383
1643	298	\$1,177,454	\$2,058,200
1644	941	\$8,264,532	\$12,369,745
1645	188	\$1,918,542	\$2,919,324
1646	748	\$6,697,414	\$10,181,873
1647	517	\$3,750,763	\$4,822,844

Chart A continued- Initial Applications Submitted During 1st Quarter 2016			
ID	Number of Employees	Qualified Costs	Total New York Budget
1648	401	\$1,756,215	\$2,340,000
1661	165	\$8,186,397	\$14,391,234
Total	32,603	\$288,676,620	\$401,851,305

INITIAL APPLICATIONS – POST-PRODUCTION CREDIT

During the first quarter of 2016, the Film Tax Credit Program deemed 16 initial applications for the post-production tax credit eligible to submit a final application for credits.

INITIAL APPLICATIONS – POST- PRODUCTION CREDIT – BY MONTH

- January 2016, 8 initial applications received, estimated tax credits: \$1,442,663
- February 2016, 1 initial applications received, estimated tax credits: \$31,500
- March 2016, 7 initial applications received, estimated tax credits: \$1,250,919

Chart B shows the estimated number of employees, qualified costs and total New York budget for each of the 16 post-production projects approved this quarter.

Post Production Tax Credit Program			
Chart B			
Initial Applications Submitted During 1st Quarter 2016			
ID	Number of Employees	Qualified Costs	Total New York Budget
295	12	\$221,600	\$221,600
296	53	\$1,688,518	\$2,347,247
297	5	\$51,500	\$54,000
298	6	\$1,124,952	\$1,147,992
299	12	\$119,100	\$133,100
300	0	\$1,044,000	\$1,044,000
301	14	\$359,206	\$387,156
302	0	\$200,000	\$200,000
304	8	\$116,000	\$116,000
305	0	\$105,000	\$105,000
306	3	\$220,746	\$240,746
307	0	\$60,000	\$60,000
308	18	\$1,503,231	\$1,831,031
309	31	\$1,916,212	\$2,543,702
310	4	\$296,966	\$316,966
311	4	\$46,575	\$46,575
Total	170	\$9,073,606	\$10,795,115

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 first quarter of 2016, 35 film projects and 12 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 47 projects.

- Chart C - The 35 film projects issued credits during this reporting period spent \$570.9MM in New York State, hired 39,946 production workers and were issued credits of \$127.9MM.
- Chart D - The 12 post-production projects issued credits during this period spent \$13.8MM in New York State, hired 196 production workers and were issued credits of \$3.7MM.

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
All Relative		Pill Productions Inc.	NY	NY	\$141,030	\$195,468	38	4,037	\$51,611	\$42,309
Blue Bloods Season 4	CBS	Eye Productions Inc.	DE		\$65,862,405	\$91,456,252	5,123	685,281	\$30,555,456	\$19,758,722
St. Vincent	Weinstein	DH Films Inc	NY	NY	\$15,265,765	\$20,207,512	1,471	160,017	\$7,459,847	\$4,579,729
Unforgettable Season 2	SONY	Woodridge Productions Inc	CA		\$30,572,105	\$39,343,364	2,559	150,098	\$4,495,432	\$9,171,632
Curfew		Dear Vista, Inc	NY	NY	\$801,198	\$1,047,730	339	18,410	\$285,393	\$240,360
Appropriate Behavior		Parkville Movie, Inc.	NY	NY	\$157,712	\$200,413	84	7,260	\$78,269	\$47,314
Person of Interest Season 3 (13/14)	WB	Bonanza Productions, Inc.	CA		\$66,828,512	\$81,847,585	4,795	761,169	\$33,002,656	\$20,048,554
Us & Them Season 1	SONY	Remote Broadcasting, Inc.	DE		\$10,738,162	\$16,043,466	1,762	107,163	\$5,049,681	\$3,221,449
Cymbeline		CYM Productions, Inc.	NY	NY	\$2,422,141	\$3,159,080	383	36,369	\$1,115,983	\$726,642
Alpha House Season 1	Amazon	Picrow, Inc.	CA		\$18,958,889	\$25,494,399	2,057	192,261	\$7,871,644	\$5,687,667
Believe Season 1 (13/14)	WB	Bonanza Productions Inc	CA		\$36,527,437	\$43,044,293	3,079	424,508	\$17,340,992	\$10,958,231
Sound of Music Live	NBC/UNIVERSAL	NBC Studios	NY	NY	\$15,871,365	\$21,233,675	511	95,919	\$5,206,869	\$4,764,626
John Wick		PPNY Inc.	CA		\$20,412,612	\$29,676,890	1,666	190,381	\$10,054,993	\$6,123,783
Jane Wants A Boyfriend		Copperline Creative LLC	CT		\$262,903	\$384,476	76	9,096	\$146,563	\$79,390

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
Black Box Season 1(13/14)		Black Box Prodn LLC	DE		\$30,513,733	\$39,186,341	2,640	304,126	\$13,450,996	\$9,154,120
Adult Beginners		Brother's Keeper Productions LLC	NY	NY	\$1,572,821	\$1,998,080	363	29,111	\$690,628	\$471,846
Ten Thousand Saints		10K Saints Productions, Inc.	NY	NY	\$3,729,726	\$4,997,511	748	55,465	\$1,686,780	\$1,118,918
Most Violent Year		Tank Farm, Inc.	NY	NY	\$13,718,422	\$19,369,162	952	131,715	\$6,310,588	\$4,115,527
Gaffigan Pilot #2	SONY	Remote Broadcasting, Inc	DE		\$3,602,285	\$4,438,483	747	41,249	\$1,772,667	\$1,080,686
ALONE		Alone Productions Inc.	NY	NY	\$1,171,978	\$1,958,434	257	20,594	\$449,471	\$351,594
Bad Hurt		Bad Hurt Inc	NY	NY	\$590,549	\$751,697	154	17,549	\$294,535	\$177,165
Crazy House Pilot	Viacom	Viacom International INC.	DE		\$383,271	\$514,956	132	5,198	\$178,671	\$114,981
Ned Rifle		Ned Rifle, LLC	NY	ALB	\$220,440	\$336,794	87	4,762	\$96,989	\$66,132
Flesh and Bone	Starz	Starz Ballet Prodn LLC	DE		\$37,843,150	\$48,517,957	3,249	412,610	\$18,596,417	\$11,352,945
Pastor, The		The Pastor Film LLC	NY	NY	\$275,726	\$347,930	98	6,612	\$115,422	\$82,718
Ava's Possessions		Spa Group Inc.	NY	NY	\$539,485	\$684,417	202	14,043	\$229,986	\$161,845
BoyFriendz Pilot	Viacom	Viacom International Inc	DE		\$344,132	\$603,275	114	4,298	\$162,357	\$103,240
Outskirts		OTS Entertainment, INC	NY	ALB	\$5,159,305	\$7,444,509	757	78,017	\$2,604,500	\$1,547,792
Nurse Jackie Season 7	Lionsgate TV	Nurse Productions, Inc.	NY	NY	\$22,353,423	\$40,345,331	2,628	234,624	\$10,122,400	\$6,706,027

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
Freeheld		Freeheld Productions, LLC	NY	NY	\$5,755,976	\$7,505,228	791	75,758	\$2,871,309	\$1,726,793
Mad Women		Jeff Lipsky	N/A		\$93,797	\$122,416	47	3,346	\$41,739	\$28,139
Billy&Billie		B+B Productuions Inc.	CA		\$2,105,931	\$2,972,026	345	34,173	\$1,050,468	\$631,779
Almost There		We're Out of Time Productions Inc.	NY	Dutch.	\$2,422,186	\$3,449,443	335	37,234	\$1,093,449	\$726,656
Divorce Pilot	HBO	Across The Pond Productions, LLC	DE		\$4,361,812	\$5,612,840	405	50,465	\$2,184,133	\$1,308,544
Indignation		Indignant Productions, Inc.	NY	NY	\$5,072,940	\$6,427,390	952	66,035	\$2,410,329	\$1,521,882
Total					\$426,653,324	\$570,918,823	39,946	4,468,953	\$189,129,223	\$127,999,737

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
Memphis, Untitled Project		Calais Entertainment Inc.	NY	ALB	\$46,323	\$50,054	4	360	25,350	\$13,897
Return to Sender		Return to Sender LLC	LA		\$429,846	\$482,556	15	6,318	\$206,211	\$130,328
Giver, The		Giver Films USA, Inc.	CA		\$5,143,300	\$5,444,093	56	23,673	\$1,700,625	\$1,542,990
Da Sweet Blood of Jesus		Jesus Saves Picture Show Co., LLC	NY	Kings	\$222,624	\$400,622	8	383	38,050	\$66,787
Carol	Killer Films	Salt Film Productions, Inc.	NY	NY	\$1,579,820	\$1,833,482	26	5,493	\$378,256	\$473,946
Visit, The		Jamison Farms Productions, LLC	PA		\$84,481	\$84,481	0	-	\$0	\$25,344
Sons of Liberty		Sons of Liberty Post, LLC	NY	NY	\$3,047,269	\$3,335,975	46	17,602	\$1,011,594	\$914,181
Ithaca		Yes to All Things, Inc.	NY	NY	\$459,500	\$471,882	10	5,450	\$187,638	\$137,850
Sirens - Season 2	FOX	TVM Productions, Inc.	DE		\$1,087,373	\$1,297,671	29	7,295	\$387,103	\$326,212
Magic Mike XXL	WB	Red Zone Studios, Inc	CA		\$114,449	\$114,449	1	252	\$18,364	\$34,335
Ballers Season 1		Chori Perros Productions, LLC	DE		\$227,615	\$228,771	0	-	\$0	\$68,285
Neighbor, The		Red Hippo Productions, Inc.	NY	NY	\$97,273	\$107,968	1	440	\$44,000	\$29,182
Total					\$12,539,873	\$13,852,004	196	67,266	\$3,997,191	\$3,763,337