



Empire State Development

**FILM TAX CREDIT – QUARTERLY REPORT
CALENDAR YEAR 2015: SECOND QUARTER
JUNE 30, 2015**

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 April, May, and June, 2015.

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 credits.

- Number of Projects, estimated credits of less than \$1 million: 51 projects/ \$12,432,021
- Number of Projects, estimated credits of \$1 million up to \$5 million: 15 projects/\$30,360,675
- Number of Projects, estimated credits of \$5 million or more: 15 projects/\$199,306,246

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 May 2015 and September 2016.

INITIAL APPLICATIONS – FILM PRODUCTION CREDIT

During the second quarter of 2015, the Film Tax Credit Program deemed 53 initial applications eligible to submit a final application for credits. The data in this report is based on those projects, which include 31 films, 3 pilots, and 19 series totaling over \$227MM in credits.

INITIAL APPLICATIONS – FILM PRODUCTION CREDIT – BY MONTH

- April 2015, 12 initial applications received, estimated tax credits: \$37,445,045
- May 2015, 18 initial applications received, estimated tax credits: \$106,871,022
- June 2015, 23 initial applications received, estimated tax credits: \$83,677,497

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 2nd Quarter 2015			
ID	Number of Employees	Qualified Costs	Total New York Budget
1343	74	\$295,662	\$442,150
1344	189	\$95,882	\$122,757
1345	39	\$122,403	\$154,307
1346	716	\$25,489,224	\$36,434,048

ID	Number of Employees	Qualified Costs	Total New York Budget
1348	2562	\$25,215,045	\$38,863,307
1349	133	\$525,190	\$728,314
1350	2425	\$21,752,917	\$29,520,022
1351	901	\$14,425,570	\$20,773,114
1352	32	\$679,424	\$799,432
1353	123	\$363,855	\$503,447
1354	149	\$350,763	\$467,157
1355	3485	\$35,500,884	\$43,121,033
1356	133	\$237,453	\$347,945
1357	2335	\$46,007,850	\$76,111,493
1358	299	\$1,910,351	\$3,311,412
1359	282	\$427,559	\$596,364
1360	930	\$4,545,465	\$6,535,801
1362	4244	\$71,658,520	\$98,757,021
1363	67	\$192,564	\$297,000
1364	2126	\$38,952,091	\$47,420,049
1365	2658	\$40,965,281	\$53,732,020
1366	3095	\$54,265,492	\$80,704,783
1367	454	\$3,666,505	\$5,315,568
1368	454	\$3,774,499	\$4,975,008
1369	61	\$177,044	\$208,957
1370	5066	\$65,768,376	\$80,136,065
1371	895	\$3,672,255	\$5,296,648
1372	704	\$4,628,661	\$6,181,973
1373	2740	\$15,277,030	\$24,007,028
1374	2513	\$42,137,674	\$54,790,889
1375	119	\$304,507	\$356,889
1376	185	\$8,610,894	\$11,382,952
1378	184	\$3,345,742	\$4,663,411
1379	502	\$1,988,547	\$2,930,949
1380	37	\$372,457	\$423,000
1381	96	\$281,757	\$303,746
1382	459	\$3,478,952	\$4,995,357
1383	214	\$1,319,289	\$1,534,256
1384	5682	\$79,148,206	\$99,652,680
1385	380	\$12,357,855	\$21,589,963
1386	3573	\$36,477,750	\$49,383,256
1387	1505	\$48,288,858	\$56,515,126
1388	32	\$109,748	\$153,560
1389	252	\$2,257,715	\$3,147,389
1390	242	\$40,369	\$57,329
1391	257	\$3,161,836	\$4,302,251

ID	Number of Employees	Qualified Costs	Total New York Budget
1392	175	\$974,145	\$1,548,053
1393	96	\$136,888	\$248,092
1394	104	\$677,743	\$958,752
1395	137	\$648,681	\$1,048,266
1396	1393	\$32,725,989	\$40,355,602
1404	44	\$150,285	\$249,941
1549	19	\$38,855	\$53,049
Total	55,571	\$759,978,557	\$1,026,508,981

INITIAL APPLICATIONS – POST-PRODUCTION CREDIT

During the second quarter of 2015, the Film Tax Credit Program deemed 28 initial applications for the post-production tax credit eligible to submit a final application for credits.

INITIAL APPLICATIONS – POST PRODUCTION CREDIT – BY MONTH

- April 2015, 12 initial applications received, estimated tax credits: \$5,429,382
- May 2015, 9 initial applications received, estimated tax credits: \$5,068,641
- June 2015, 7 initial applications received, estimated tax credits: \$3,607,357

Chart B shows the estimated number of employees, qualified costs and total New York budget for each of the 28 post-production projects approved this quarter.

Post Production Tax Credit Program			
Chart B			
Initial Applications Submitted During 2nd Quarter 2015			
ID	Employees	Qualified Costs	Total New York Budget
220	0	\$107,132	\$107,132
221	4	\$154,223	\$154,223
222	11	\$3,670,664	\$3,703,064
223	3	\$244,862	\$254,631
224	10	\$400,000	\$400,000
225	14	\$1,207,974	\$1,398,676
226	4	\$501,315	\$768,261
227	18	\$6,966,748	\$7,434,237
228	11	\$4,048,575	\$4,048,575
230	6	\$75,835	\$75,835
231	0	\$262,367	\$262,367
232	72	\$8,732,843	\$8,732,843

ID	Employees	Qualified Costs	Total New York Budget
233	28	\$1,111,255	\$1,163,949
235	15	\$458,247	\$497,447
236	0	\$327,680	\$327,680
237	2	\$101,000	\$101,000
238	7	\$2,215,552	\$2,784,548
239	6	\$1,952,985	\$2,027,985
240	0	\$1,150,000	\$1,150,000
241	20	\$1,010,137	\$1,148,197
242	10	\$294,020	\$320,647
243	17	\$3,091,102	\$4,177,957
244	60	\$2,438,777	\$2,844,981
245	0	\$825,000	\$825,000
246	3	\$16,652	\$16,652
247	6	\$3,163,794	\$3,477,587
248	0	\$291,550	\$291,550
249	10	\$2,197,648	\$2,230,648
Total	337	\$47,017,937	\$50,725,672

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 second quarter of 2015, 13 film projects and 12 post-production projects were issued credits that are subject to this new requirement. Chart C shows 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 25 projects.

- The 13 film projects issued credits during this reporting period spent \$202.3MM in New York State, hired 13,531 production workers and were issued credits of \$43.8MM.
- The 12 post-production projects issued credits during this period spent \$19.7MM in New York State, hired 219 production workers and were issued credits of \$4.9MM.

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
Five To Seven		Five to Seven Prodns Inc	NY	NY	\$3,586,119	\$4,930,886	904	52,277	\$1,587,238	\$1,075,836
About Alex		Footprint Film 2 , LLC	CA		\$630,201	\$861,185	145	10,110	\$265,826	\$189,060
Girl In The Book		Lolamaas Films, LLC	NY	NY	\$418,734	\$532,786	114	9,406	\$145,073	\$125,620
Taxi Brooklyn		Brooklyn South, Inc.	NY	NY	\$16,409,029	\$25,595,067	1,700	212,235	\$8,694,827	\$4,922,709
Cold In July		Pig Farm, Inc	NY	NY	\$3,584,317	\$4,372,000	208	28,338	\$509,088	\$352,870
Heart Machine		The Heart Machine Inc.	NY	NY	\$185,769	\$241,271	77	1,620	\$17,185	\$55,731
Take Care		Take Care Indie, LLC	NY	NY	\$245,118	\$314,998	84	8,191	\$90,682	\$73,535
Cobbler, The		SLOW PONY, LLC	NY	NY	\$7,260,829	\$8,783,646	890	92,624	\$3,481,060	\$2,178,249
Inside Amy Schumer Season 2	Viacom	Central Productions LLC	DE		\$4,386,201	\$6,293,004	751	60,545	\$2,362,896	\$1,315,860
BoardWalk Empire Season 5	HBO	Bootleg Productions INC.	DE		\$64,784,620	\$87,285,654	3,565	707,897	\$31,273,342	\$19,435,386
White Collar Season 6	FOX	TVM Productions, Inc	DE		\$14,282,546	\$20,452,028	1,440	158,506	\$7,156,531	\$4,253,732
Affair Season 1	Showtime	Possible Productions Inc.	DE		\$26,679,164	\$34,910,531	2,485	296,532	\$13,517,903	\$8,003,749
Codes of Conduct Pilot	HBO	Tall Story Productions, LLC	DE		\$6,114,464	\$7,778,518	1,168	76,246	\$3,015,331	\$1,834,339
Total					\$148,567,111	\$202,351,574	13,531	1,714,527	\$72,116,982	\$43,816,676

CHART C Continued

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
World Made Straight, The		TNY TWMS Inc.	NY	NY	\$3,770	\$106,624	0	-	\$0	\$1,131
Borgia Season 3		Elemental Productions Inc.	NY	NY	\$2,527,032	\$2,535,938	11	19,349	\$985,826	\$758,110
Anchorman 2	Para-mount	Paramount Worldwide Productions Inc.	DE		\$1,527,824	\$1,527,824	0	-	\$0	\$458,347
Low Down		Low Down Film, Inc.	NY	NY	\$349,133	\$378,528	5	2,888	\$96,633	\$104,740
Stonehurst Asylum		Eliza's Productions, Inc.	NV		\$751,177	\$932,923	24	3,484	\$226,782	\$225,353
Solace		Supersensory LLC	DE		\$1,235,483	\$1,398,387	18	9,060	\$420,916	\$370,645
Let's Be Cops	20th Century Fox	Twentieth Century Fox Film Corp	DE		\$2,449,314	\$3,341,309	47	17,207	\$896,783	\$734,794
Rosewater		Yana Productions, LLC.	DE		\$1,339,643	\$1,619,741	49	19,775	\$525,358	\$401,893
Wish I Was Here		WIWH Productions, Inc.	DE		\$532,645	\$653,362	15	3,608	\$169,993	\$159,794
Fault In Our Stars	Fox	Twentieth Century Fox Film Corp.	DE		\$248,370	\$251,568	2	476	\$21,100	\$74,511
Into the Woods	Walt Disney	Last Midnight Productions, Inc.	CA		\$5,151,974	\$6,615,450	48	39,830	\$2,363,097	\$1,544,936
Galyntine	AMC	Galyntine Productions LLC	DE		\$341,050	\$341,050	0	-	\$0	\$102,315
Total					\$16,457,415	\$19,702,704	219	115,677	\$5,706,488	\$4,936,569