

Film Tax Credit – Quarterly Report

Calendar Year 2010: First Quarter

June 8, 2010

During the first quarter of calendar year 2010, the Governor’s Office for Motion Picture and Television Development allocated credits for 18 initial applications that are still active and in the system. The following data is based on those 18 projects, which include 14 films and 2 pilot, and 2 series totaling \$103,212,833 in credits.

ESD processes applications on a rolling basis in the order in which they were received and gives preliminary approval to all applications that meet the criteria set forth in Chapter 60 of the Laws of 2004, as amended.

Note: Each quarter, a number of applications are received that eventually either withdraw or shift to a later quarter due to a change in its projected filming start date. Hence the projected depletion date of the \$350M continues to move. This report reflects new applications submitted between January 1st and February 26th, the date the credit allocation was fully committed.

INITIAL APPLICATION BY MONTH

- Total Dollar Amount of Credit Allocated in January 2010: **\$77,344,457**
- Total Dollar Amount of Credit Allocated in February 2010: **\$\$25,868,376**
- Total Dollar Amount of Credit Allocated in March 2010: **\$0**

INITIAL APPLICATION BY TAX CREDIT LEVEL

Previously, the credit could be claimed only after a project completed filming and editing and the applicant submitted a tax return for the year that the project was completed. At present, the timing of credit claims are based not only on the year a project is completed, but also on the size of the credit allotted to each project. Projects receiving less than \$1 M in credit can claim their entire credit award the year after the project is completed. Credits between \$1 - \$5M must be claimed across the following two years and credits greater than \$5M must be claimed across the following three years. Below is a summary of the 18 applications received in the 1st quarter by size of credit requested.

- Number of Projects with Allocated Tax Credits less than \$1 M: **5 projects / \$977,549**
- Number of Projects with Allocated Tax Credits between \$1M - \$5M: **6 projects / \$14,670,058**
- Number of Projects with Allocated Tax Credits above \$5 M: **7 projects / \$87,565,226**

The projected completion dates for these 18 applications fall across the years 2010 – 2011.

COMMITMENT OF \$350M ALLOCATION TO-DATE

The total credit allocated from April 1, 2009 to February 26, 2010 is \$350M. The last application on the \$350M allocation list has a credit amount of \$15,484,626. The first \$9,232,165 of the \$15.4M is committed to the \$350M. The remaining \$6,252,461 credit amount is unallocated and waiting to be committed.

ESTIMATED EMPLOYEES AND PROJECTED BUDGETS

The following chart provides the estimated number of employees, qualified costs and total NY budget per project for the 18 projects approved in first quarter of 2010. The # of Employees column is a head-count number, not a calculation of full-time equivalents. This weighs equally: whether it is an extra paid for one day of work or a security manager working 50 hours weekly for a full month of production activity – each is counted as one employee.

Projects	# of Employees	Qualified Costs	Total NY Budget
Project 492	114	\$869,213	\$1,180,016
Project 495	46	\$114,935	\$141,779
Project 496	939	\$5,368,739	\$5,714,688
Project 497	520	\$5,779,640	\$8,422,368
Project 498	237	\$6,229,981	\$9,789,590
Project 500	503	\$19,096,350	\$32,683,037
Project 501	114	\$409,900	\$506,884
Project 502	135	\$638,607	\$971,910
Project 503	906	\$34,081,570	\$40,584,078
Project 504	1750	\$31,834,878	\$39,221,129
Project 507	4163	\$88,884,785	\$145,969,377
Project 508	1308	\$16,579,167	\$22,156,123
Project 509	11524	\$46,701,248	\$60,307,247
Project 510	227	\$1,225,843	\$1,476,211
Project 511	554	\$4,549,894	\$4,812,386
Project 512	1240	\$10,392,772	\$19,912,129
Project 513	836	\$40,511,372	\$51,674,910
Project 516*	557	\$30,773,883	\$53,104,529
Total	25673	\$344,042,777	\$498,628,391

* Project 516 represents \$9.2M credit allocation from \$350M

1ST QUARTER APPLICATION WAIT LIST

Between February 27th and March 31st we received 10 applications after the \$350M in credits was fully committed. They include 9 films and 1 pilot. In the 2nd quarter 2010 to date another 29 applications were received. These applications are put on a waiting list pending the passing of the budget.