

# **Film Tax Credit – Quarterly Report**

## **Calendar Year 2010: First Quarter**

### **July 13, 2010**

During the second quarter of calendar year 2010, the Governor’s Office for Motion Picture and Television Development allocated credits for 1 initial application that is still active and in the system. The following data is based on that 1 project, which is 1 film totaling \$134,019 in credit.

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 April 1<sup>st</sup> and April 7<sup>th</sup>, the date the credit allocation was fully committed.

#### **INITIAL APPLICATION BY MONTH**

- Total Dollar Amount of Credit Allocated in April 2010: **\$134,019**
- Total Dollar Amount of Credit Allocated in May 2010: **\$0**
- Total Dollar Amount of Credit Allocated in June 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 1 application received in the 2<sup>nd</sup> quarter by size of credit requested.

- Number of Projects with Allocated Tax Credits less than \$1 M: **1 projects / \$134,019**
- Number of Projects with Allocated Tax Credits between \$1M - \$5M: **0 projects / \$0**
- Number of Projects with Allocated Tax Credits above \$5 M: **0 projects / \$0**

The projected completion dates for the 1 application fall across the year 2010.

## COMMITMENT OF \$350M ALLOCATION TO-DATE

The total credit allocated from April 1, 2009 to April 7, 2010 is \$350M.

## ESTIMATED EMPLOYEES AND PROJECTED BUDGETS

The following chart provides the estimated number of employees, qualified costs and total NY budget per project for the 1 project approved in second 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 522	39	\$446,731	\$446,731
<b>Total</b>	<b>39</b>	<b>\$446,731</b>	<b>\$446,731</b>

## REMAINING 2<sup>nd</sup> AND START OF 3<sup>rd</sup> QUARTER APPLICATION WAIT LIST

In the 2<sup>nd</sup> quarter 2010, between April 8<sup>th</sup> and May 31<sup>st</sup> we received 36 applications after the \$350M in credits was fully committed. They include 28 films and 9 series. In the start of 3rd quarter 2010 to date another 8 applications were received. These applications are put on a waiting list pending the passing of the budget.