

Film Tax Credit Committee Talking Points 2013 PA Film Incentive Debate

An Overview

- Over the past few years our tax credit has gone from \$75 million to where it currently stands at \$60 million.
- Every year we are running out of money earlier and earlier. This year, the last film in the Pittsburgh area ended in January. The \$60 million cap is no longer enough for our rapidly growing industry.
- This year we are asking for our film tax credit to be **Uncapped**.

The most effective story will always be your own.

The Positive:

- What is your connection to the industry?
- If your job requires buying for the movies—talk about how much money you spend and where.
- Has your income/number of job opportunities increased since the tax credit was introduced?
- Were you able to move back to Pennsylvania because of the growth of the film industry?
- Are you in your 20's and able to stay in the state because of the job opportunities?
- Have you been able to buy your own home/ 2nd home/ vehicle/ business?
- Have you been able to improve your job status/income?
 - Grips - did you become a dolly grip/ key grip?
 - Extras - were you able to get speaking parts and join SAG?
 - PAs - did you earn a DGA card?
 - Crew - Were you able to purchase high ticket items like camera, grip, electric, video equipment and start your own rental business on the side?
 - Business owners - how much business do you get from film, were you able to hire more employees, expand your business and add services?

The Negative

- Are you currently unemployed?
- Are you on unemployment, or have you been denied unemployment?
- How has the lack of work impacted you?
- Will you have to leave the state for other work?

Some Facts & Other Talking Points

- Film is a Business, and it operates like any other business. They will not just show up here because we are pretty, or competent. They go where they can get the best bottom line.
- 41 states currently offer Film Incentive programs. We have to offer a great incentive to remain competitive with other states. It can be compared to a contractor bidding for a job.
- "We've lost seven feature films in the last couple of months, all from major studios, because of our inability to provide a tax credit," *Dawn Keezer, February 8 Pittsburgh Post Gazette*
- No new applications for film incentives in PA will be accepted until April 1st.
<http://filminpa.com/incentives>

- The budget doesn't get passed until June 30th
- The top three film incentives in the country are Georgia, Louisiana and New York. You can compare states film incentives on a roll over map here: <http://www.castandcrew.com/production-incentives.php>
- We want an uncapped film tax credit modeled after highly successful states like Georgia. Roughly ten years ago Atlanta's film industry was comparable to Pittsburgh. They uncapped their tax credit while we capped ours at \$75 million.
 - In Georgia, the film industry is responsible for 22,843 direct jobs and 1.3 BILLION dollars in wages.
 - Compared to Pennsylvania who boasted 16,395 direct jobs and \$732.9 MILLION Dollars in wages.
 - While these numbers in Pennsylvania more than justify continuing the film tax credit, looking at Georgia's numbers prove we could be bringing in so much more.
information from MPAA <http://www.mpa.org/policy/state-by-state>
- States with multi-year or uncapped programs allow for rapid growth of film related infrastructure like rental houses, studios, casting agencies, and post production facilities. This opens up countless new job opportunities and a new avenue for income to the state both directly and indirectly.
- Multi-year or uncapped programs also allow for us to court television series. TV Series offer longer employment opportunities, longer rentals, extended locations fees and more jobs for multiple years. The state of Georgia currently plays host to 30 television series. Their program promotes sustainability in the industry. They are building studios, reclaiming unwanted properties and improving the area.

Web Links to Read More:

The Motion Picture Association of America has a great site featuring an overview of each states tax incentive as well as the economic impact of film in each state here:

<http://www.mpa.org/policy/state-by-state>

Cast & Crew, the film payroll company, has the best comparison of incentives state by state here:

<http://www.castandcrew.com/production-incentives.php>

The Department of Community and Economic Development approves and tracks Applications for film tax credits. You can look up past projects here:

<http://www.dced.state.pa.us/investmenttracker/Default.aspx>

As we go through the months leading up to the budget passing, we will be updating you on specific ways you can help on our web page (<http://pafilmcreditswork.com>) and our Facebook page (Pennsylvania Filmworkers). We encourage you to keep an eye on the papers, check out the local news programs and radio shows, and search the Internet. If you see something you think we need to know about (good or bad), contact us. We can be reached by e-mail at pafilmcredit@gmail.com, on the Facebook page or by contacting Mamie Stein or Casey LaRocco directly. This is an entirely volunteer effort and it will work at its best with everyone involved.

