

Report to the General Assembly on the Film Production Tax Credit Program

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REPORT TO THE GENERAL ASSEMBLY
Film Production Tax Credit Program
FY 2012-13

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REPORT TO THE GENERAL ASSEMBLY FILM PRODUCTION TAX CREDIT PROGRAM FY 2012-13

PROGRAM OVERVIEW

The Pennsylvania Film Production Tax Credit Program (FPTCP) is an economic development tool to foster the growth and development of the state's film industry. The program, authorized under Act 55 of 2007 as amended by Act 85 of 2012, provides a tax credit equal to 25% of a production's "qualified PA production expenses" provided at least 60% of the total production budget is spent in Pennsylvania. The type of productions eligible for a tax credit include feature films; TV films; TV talk or game show series; TV commercials and TV pilots or episodes intended as programming for a national audience.

Under Act 85 of 2012, an additional 5% of tax credits is provided for feature film and television productions intended for a national audience that meet the minimum stage filming requirements at a qualified production facility (i.e., productions with budgets under \$30 million must build at least one set, shoot for a minimum of 10 days and have direct expenditures of at least \$1.5 million at the facility, while productions with budgets of at least \$30 million must build at least two sets, shoot for a minimum of 15 days and have direct expenditures of at least \$5 million at the qualified production facility.)

Upon completion and after the required audit and economic impact report have been submitted and approved by the Pennsylvania Department of Community and Economic Development (DCED), the production is issued a film production tax credit certificate. A production may use the credit itself for any state taxes owed, or sell or assign the credit to one or more taxpayers. Production companies have three years after the taxable year in which the tax credit was issued in which to use the credit.

SUMMARY STATISTICS

Summary for FY 2007-08 through FY 2012-13

Since the program's inception, nearly \$367 million film production tax credits have been approved/awarded¹ to film production companies under the program. These companies, in turn, have directly injected well over \$1.5 billion into Pennsylvania's economy, generated an estimated \$2.7 billion in total economic activity and supported more than 19,000 jobs, based on revised *IMPLAN* multipliers.

The Pennsylvania Film Office has received and reviewed nearly 500 applications for the state's film production tax credit program since the program's inception on July 1, 2007 and approved 310 film productions for receipt of a film tax credit through FY 2012-13. (An additional four productions that submitted applications in FY 2012-13 received conditional approval contingent on the availability of funds for film production tax credits issued in FY 2013-14.)

¹ It is important to note the distinction between state tax credits "approved" vs. "awarded." Productions selected to participate in Pennsylvania's Film Production Tax Credit Program receive an initial approval letter stating the maximum amount of tax credits the production can receive upon completion of the production. This amount is largely based on a production's estimated eligible, or "qualified," PA production expenses and the total amount of film production tax credits available in the fiscal year.

Once a production is completed, the actual amount of tax credits awarded is based on the actual dollars spent in Pennsylvania as certified in an independent audit submitted after all elements of production have been completed. Film productions whose actual total Pennsylvania qualified expenses are below the amount initially specified in the production's application are awarded a smaller amount of tax credits than initially approved. In contrast, film productions whose actual qualified expenses are higher than initially estimated are awarded a tax credit equal to the maximum amount specified in the initial approval letter, despite the production's higher spending level. As a result, the total dollar amount of tax credits awarded since the program's inception will be less than the total amount of film tax credits authorized.

The Pennsylvania Department of Community and Economic Development (DCED) has approved and/or awarded film production tax credits to 37 commercials, 9 documentaries, 88 feature films, 174 television productions and 2 categorized as “other” since the program began. *(According to the Association of Film Commissioners International, a “feature film” is a film production of at least 70 uninterrupted minutes made for initial distribution in theaters and the main attraction of the screening [rather than a short film screened before it]. The term is also used for feature length, direct-to-video and television movie productions.)* Productions receiving tax credits have ranged from low-budget commercials to feature films with production budgets of well over \$100 million, and have benefited both major Hollywood production companies and young film producers just starting out.

The following table provides the number of projects for each of the major categories of production, the total dollar amount of tax credits awarded by category and the associated percent of total for the two measures. While television productions have received a majority (56%) of tax credit awards, feature films have dominated in terms of the total dollar amount of credits approved/awarded, receiving three-quarters of the \$367.0 million in tax credits approved/awarded since the program’s inception.

**Tax Credits Approved or Tax Credit Certificate Awarded by Production Type
FY 2007-08 through FY 2012-13**

Production Category	Total Number of Productions	Percent Total Number of Productions	Total Dollar Amount of Tax Credits Approved/Awarded	Percent Total Dollar Amount of Tax Credits Approved/Awarded
Commercials	37	12%	\$1,263,306	0.3%
Documentaries	9	3%	\$1,312,613	0.4%
Feature Films	88	28%	\$275,851,226	75%
Television Productions	174	56%	\$88,362,109	24%
Other	2	1%	\$104,788	0.03%
TOTAL	310		\$366,894,042	

Lower budget films account for the majority of productions that have received a film production tax credit since FY 2007-08 but just a small fraction of the total dollars approved/awarded, as shown in the table on the following page. Specifically, productions with budgets under \$1 million account for 56% (i.e., 174 productions) of those awarded/approved for a film production tax credit since the program began, but have received less than 4% (i.e., \$13.3 million) of the total dollar amount of tax credits approved/awarded. Including productions with budgets up to \$5 million, these figures rise to 83% (i.e., 257 productions) of the projects approved/awarded a tax credit and 13% of the tax credits (\$47.2 million) awarded/approved.

In contrast, there have been only nine productions with total budgets greater than \$50 million that were approved/awarded tax credits. However, these nine productions, which represent just 3% of the total number of projects since the program’s inception, are responsible for 40% of the total dollar amount of tax credits approved/awarded (\$148.2 million) with their combined total qualified Pennsylvania expenditures nearly 11 times higher than that of the 174 film productions with budgets under \$1 million.

The table on the following page shows the number of productions that have been approved/awarded tax credits between FY 2007-08 and FY 2012-13, the total dollar amount of tax credits approved/awarded, the total dollar amount of qualified spending in Pennsylvania and the associated percent of total for the various measures, based on the size of the total production budget. The dollar amount of tax credits and the qualified Pennsylvania production spending include the actual amounts for completed productions (based on the figures provided in the production audits and economic impact reports) and the estimated amounts for productions yet to be completed by the end of FY 2012-13, as provided in the applications.

**Tax Credits Approved or Issued by Production Budget Category
FY 2007-08 through FY 2012-13**

Total Production Size	Number of Productions Receiving Film Tax Credits	Percent of Total Productions	\$ Amount of Tax Credits	Percent of Total \$ Amount of Film Tax Credits	Qualified Production Spending in Pennsylvania
<\$100k	28	9%	\$280,004	0.1%	\$1,265,797
100k - \$250k	43	14%	\$1,343,482	0.4%	\$5,594,078
\$250k - \$500k	50	16%	\$3,907,399	1.1%	\$17,009,968
\$500k - \$750k	30	10%	\$3,752,965	1.0%	\$16,054,229
\$750k - \$1 mil	23	7%	\$4,043,652	1.0%	\$16,918,855
\$1 mil - \$2.5 mil	64	21%	\$19,873,120	5%	\$83,088,088
\$2.5 mil - \$5.0 mil	19	6%	\$13,974,480	4%	\$56,338,636
\$5.0 mil - \$10 mil	16	5%	\$23,604,093	6%	\$96,266,303
\$10 mil - \$25 mil	11	4%	\$39,142,423	11%	\$163,087,823
\$25 mil - \$50 mil	17	5%	\$108,796,562	30%	\$437,937,683
\$50 mil - \$100 mil	5	2%	\$54,053,948	15%	\$243,418,638
\$100+ million	4	1%	\$94,121,917	26%	\$365,081,096
TOTAL	310		\$366,894,043		\$1,502,061,194

It is important to note the figures presented in this report and this table, in particular, should not be compared with those presented in prior reports. The totals are revised and updated each year to reflect: (1) the addition of productions that were approved for a film production tax credit in the most recently completed fiscal year; (2) the deletion of previously approved productions that have withdrawn from the program²; (3) the completion of productions approved for the film production tax credit program in years prior to the most recently completed fiscal year, with the data revised to reflect the actual amount of tax credits awarded for each completed production, as well as each production's actual PA qualified and total spending figures; and (4) the reallocation of any unused tax credits from productions that were both approved and completed — or approved and the production subsequently withdrawn — in the most recently completed fiscal year to productions awaiting approval or productions (typically large-budget) that received approval for only a portion of tax credit for which they are eligible.³

² Almost every year a number of productions withdraw from the film production tax credit program. Some of these are productions with a completed application but that have yet to be approved for a film production tax credit. Other productions have received approval but withdrew for a variety of reasons — from the inability to secure the necessary financing to the availability of key cast and crew, among others — preventing the production company from commencing filming in Pennsylvania within the program's required 90-day window that starts on the date the production is approved for a film production tax credit.

³ Tax credits for a number of large-budget productions have been allocated over two or more fiscal years. Since these productions typically have a long production cycle lasting at least two or more fiscal years (depending on a production's start date), the total amount of tax credits for which the production is eligible is allocated over the life of the production, with conditional letters of approval issued for the film tax credits to be issued in subsequent years subject to the continued availability of film production tax credits.

Pennsylvania Film Production Tax Credit Program: Summary for FY 2012-13

The Pennsylvania Department of Community and Economic Development (DCED) approved 25 of the 63 film production tax credit applications the office received in FY 2012-13, with one of the approved productions withdrawing from the program after the fiscal year had ended. An additional eight productions that were approved for film production tax credits in FY 2011-12 received approval for additional tax credits from the program's FY 2012-13 total tax credit authorization.

As of June 30, 2013, six of the productions that received tax credit approval letters in FY 2012-13 had completed production, submitted the mandated audit and economic impact report and been issued a tax credit certificate in the 2012-13 fiscal year. The remaining projects were either still in production, or had completed production but had yet to submit an audit of their expenses to the Pennsylvania Department of Community and Economic Development and/or an economic impact report by June 30, 2013.

Feature films and television productions received the largest number of approvals, accounting for 45% and 48%, respectively, of the total number of productions approved for film production tax credits in FY 2012-13. Feature films received 54% of the total dollar amount of tax credits approved, while television productions accounted for 45%.

Tax Credits Approved by Production Type FY 2012-13 Film Production Tax Credit Authorization

Production Category	Total Number of Productions	Percent of Total Number of Productions	Total Dollar Amount of Tax Credits As Initially Approved	Percent of Total Dollar Amount of Tax Credits Approved
Commercials	0	0%	\$0	0%
Documentaries	1	3%	\$414,127	0.7%
Feature Films	15	45%	\$32,580,476	54%
Television Productions	16	48%	\$26,967,156	45%
Other	1	3%	\$38,240	0.1%
TOTAL	33		\$59,999,999	

Note: The data in the above table include a television project that was withdrawn by the production company after the fiscal year had ended. Since it was after the close of the fiscal year, those tax credits could not be assigned to another production. Excluding that production, the revised dollar amount of film production tax credits approved for FY 2012-13 totaled \$59,847,243.

Feature film and television productions with total budgets between \$25 million and \$50 million accounted for over 20% of the productions approved for a tax credit from the FY 2012-13 film production tax credit authorization and for 51% of the dollar amount of approved tax credits, as shown in the table on the following page. Three of these were productions that had also been approved to receive tax credits from the FY 2011-12 authorization.

Three large-budget film productions (i.e., productions with budgets of at least \$50 million) were approved for film production tax credits from the FY 2012-13 authorization, with two of these productions also authorized to receive tax credits from the FY 2011-12 allocation.

**Tax Credits Approved by Production Budget Category
FY 2012-13 Film Production Tax Credit Authorization**

Total Production Size	Number of Productions Receiving Film Tax Credits	Percent of Total Productions	\$ Amount of Tax Credits As Initially Approved	Percent of Total \$ Amount of Film Tax	Qualified Production Spending in Pennsylvania
<\$100k	2	6%	\$36,513	0.1%	\$146,005
100k – \$250k	1	3%	\$32,725	0.1%	\$130,900
\$250k – \$500k	2	6%	\$141,327	0.2%	\$806,749
\$500k – \$750k	3	9%	\$405,494	0.7%	\$1,621,978
\$750k – \$1 mil	1	3%	\$152,756	0.3%	\$611,024
\$1 mil – \$2.5 mil	6	18%	\$1,949,326	3%	\$8,673,862
\$2.5 mil – \$5.0	3	9%	\$1,835,370	3%	\$8,630,995
\$5.0 mil – \$10 mil	3	9%	\$2,421,325	4%	\$18,215,395
\$10 mil – \$25 mil	2	6%	\$6,122,617	10%	\$33,901,728
\$25 mil – \$50 mil	7	21%	\$30,824,609	51%	\$173,610,485
\$50 mil – \$100	2	6%	\$7,617,358	13%	\$135,008,169
\$100+ million	1	3%	\$8,460,579	14%	\$81,842,314
TOTAL	33		\$59,999,999		\$463,199,604

The totals in the above table include figures for the project that was withdrawn. Excluding this production, the dollar amount of tax credits as initially approved for FY 2012-13 would total \$59,847,243 and the qualified production spending in Pennsylvania would equal \$462,588,580.

It should be noted that the amounts presented for the qualified production spending in Pennsylvania include revisions to the amount initially provided upon application for projects that have been completed to reflect the actual amount of spending in Pennsylvania as provided in the post-production audit.

FILM PRODUCTION TAX CREDITS APPROVED IN FY 2012-13

Section 8711-D(a) of the Film Production Tax Credit Program's enabling legislation (Act 55 of 2007, as amended by Act 85 of 2012) requires the Department of Community and Economic Development (DCED) to submit an annual report to the General Assembly with detailed information on the film productions that were approved for participation in the state's film production tax credit program in the immediately preceding fiscal year, the amount of tax credits claimed, the total amount spent in Pennsylvania by film productions receiving a tax credit, the amount of tax revenues generated and total jobs created for each production. The data for FY 2012-13 is provided in the following sections of this report.

The first section lists the productions that were approved during FY 2012-13, but had yet to be completed by June 30, 2013. The second section lists: (1) the productions that received film production tax credit certificates and were completed in FY 2012-13, by region and fiscal year in which the tax credit was authorized; (2) the actual amount of tax credit awarded for each production; and (3) the estimated economic impact of the production in terms of sales, employment and state and local taxes generated.

The third and final section provides a list of the productions that used and sold or assigned tax credits and the dollar amount in FY 2012-13 by fiscal year in which the production was approved to participate in the film production tax credit program.

The Department of Community and Economic Development approved 33 applications for film production tax credits from the FY 2012-13 film tax credit authorization. One of these projects was withdrawn by the production company after the fiscal year had ended. As of June 30, 2013, six of these productions had completed all production activities, submitted the mandated audit and economic impact report, and been issued a tax credit certificate in the 2012-13 fiscal year. (See Table 2 for a listing of the completed productions that were issued tax credit certificates in FY 2012-13.)

The remaining projects approved in FY 2012-13 were either still in production, or had completed production but had yet to submit an audit of their expenses to DCED June 30, 2013 and/or an economic impact report listing the expenditures; number of production days (including pre- and post-production); hotel nights; Pennsylvania and non-resident employees; wages paid and hours worked, among other data.

Table 1 below lists the productions that were approved for the FPTC program in FY 2012-13, but had not completed production and/or filed the mandated audit and economic impact report in order to be issued a tax credit certificate by June 30, 2013. The table provides the maximum amount of film production tax credits for which each production was approved. This amount is based on the proposed production budget submitted with the production company's application prior to production commencing and equal to up to "25% of the qualified film production expenses incurred," or 30% if the production meets the requirements for filming at a "qualified production facility." (*To date, no production has been awarded a film production tax credit certificate with the additional 5% in credits for using a qualified production facility.*) The data is presented by geographic region in which a film production largely occurred or will occur.

As noted before, in cases where the actual audited amount of total Pennsylvania qualified expenses upon completion of a film production is less than the amount specified in the proposed budget, the actual amount of tax credits awarded will be appropriately reduced from the maximum amount initially approved by DCED. In cases where the actual audited amount of total Pennsylvania qualified expenses upon completion of a film production exceeds the amount specified in the proposed budget, the tax credit is limited to the amount specified in the approval letter issued by the department to the production company.

Table 1. Film Production Tax Credits Approved, But Project Not Completed in FY 2012-13 By Region

Note: Projects that were approved for a film production tax credit in FY 2012-13 and also submitted an independent audit and economic impact report that were approved by the department by June 30, 2013 are not included in Table 1. The data for these projects is presented in Table 2a.

Table 1. Film Productions Approved in FY 2012-13, But Project Not Completed by June 30, 2013		
Region/Project Title	Entity Name	Maximum Tax Credit Approved
Lehigh Valley and Upstate PA Regions		\$15,637
The Living	Eight Night Weekend, LLC (Shooting Films LLC)	\$15,637
Philadelphia and The Countryside		\$35,386,185
1982	1982 The Movie, LLC	\$99,707
1000 AE aka After Earth*	Nova Prime, Inc.	\$8,460,579
Buying The Dream+	Nancy Glass Productions Inc.	\$193,185
Dangerous Grounds#	Nancy Glass Productions Inc.	\$152,756
Dangerous Grounds Season 2*	Nancy Glass Productions Inc.	\$323,758
Dead Man Down*	DMD Productions, LLC (IM Productions, LLC)	\$5,142,874
Do No Harm - Series - Season 1*	Open 4 Business Productions LLC (NBC/Universal)	\$5,104,564
Do No Harm (Pilot)*	Open 4 Business LLC (Universal Studios)	\$712,330
Make Me Under	Banyan Productions, Inc.	\$373,760
McCanick	McCanick, LLC	\$103,087
Paranoia	Paranoia Productions, LLC	\$6,772,234
Philadelphia: The Great Experiment (Episodes 4, 5, 6 & 7)	History Making Productions, LLC	\$414,127
QVC Televisions Programs (37 projects)+	QVC, Inc.	\$1,040,759
QVC Televisions Programs (48 projects)	QVC, Inc.	\$3,902,357
Restaurant Impossible Season 5 (13 episodes)	MSPT - Restaurant Impossible, LLC	\$936,578
Solar Superstorms+	Spitz, Inc.	\$38,240
Tanked Season 3*	Nancy Glass Productions Inc.	\$668,236
The Chica Show - Season 2*	Center City Video, Inc.	\$575,034
The Haney Project Season 5 (Michael Phelps & Hank Haney)	The Workshop, LLC	\$241,233
The North Star	The North Star LLC	\$130,787
Pittsburgh and Its Countryside		\$13,558,233
All Saints Eve	OLOG Entertainment, LLC	\$32,725
American Pastoral+	American Pastoral Productions LLC (Lakeshore Entertainment Group LLC)	\$500,000
Crimes of Pittsburgh	Serf City, LLC	\$20,876
Foxcatcher	Fair Hill LLC (Annapurna Productions)	\$6,076,364
Kantemir	Kantemir The Movie, LLC	\$175,000
The Lifeguard	Lifeguard Productions, LLC	\$350,000
Those Who Kill (Pilot & 9-Episode Series)	Pacific 2.1 Entertainment Group, Inc. (FOX)	\$6,403,268
STATE TOTAL		\$48,960,055
<p>*Approved for film production tax credits in FY 2011-12 and FY 2012-13; tax credit shown is only for FY 2012-13. +Approved for film production tax credits in FY 2012-13 and conditional approval for FY 2013-14. Tax credit shown is only for FY 2012-13. #Project withdrawn after close of FY 2012-13.</p>		

FILM PRODUCTION TAX CREDIT CERTIFICATES AWARDED IN FY 2012-13

Pursuant to Section 8711-D(a) of Act 55 of 2007, the data for productions claiming tax credits in FY 2012-13 is presented below by geographic location. It is important to note a tax credit is not “claimed” until a tax credit certificate has been officially issued by the Pennsylvania Department of Community and Economic Development (DCED). For a film production tax credit certificate to be issued, an independent post-production audit and economic impact report must be submitted by the production company and approved by the department.

Table 2 below presents the required production information and total economic impact for each production completed and issued a film production tax credit certificate in FY 2012-13. The economic impact figures were calculated using the film industry multipliers from the *IMPLAN* model, as provided by the Pennsylvania Department of Labor and Industry. It is important to note the industry multipliers have been revised in the most recent release of *IMPLAN*.

The productions are organized according to the fiscal year for which the tax credit expenditures were authorized, except for productions that received tax credit approvals from two different fiscal years. In those cases, the data is combined and the production is listed only in the fiscal year of the most recent film production tax credit approval (e.g., the data for productions that received tax credits from the program’s FY 2011-12 and FY 2012-13 allocations will be shown only in the FY 2012-13 table (Table 2a) and will not also be listed in the FY 2011-12 table (Table 2b). The one exception is for the *1000 AE aka After Earth* production, which submitted an audit and economic impact report for only the portion of the production completed in FY 2011-12 and has yet to submit an audit and economic impact report for the FY 2012-13 portion.

Table 2. Film Production Tax Credits Awarded & Economic Impact for Productions Completed in FY 2012-13

Table 2a. Film Production Tax Credits Awarded in FY 2012-13 for Tax Credits From FY 2012-13 Tax Credit Authorization				ESTIMATED ECONOMIC IMPACT Totals Attributable to Film’s Production		
Region/Project Title	Entity Name	Total+ Tax Credit Award	Actual PA Production Expenses	Total Sales	Jobs (Annual FTE)	State & Local Taxes
Philadelphia and The Countryside		\$4,826,544	\$22,180,959	\$36,376,772	275	\$1,489,706
Farm Kings	Center City Video	\$377,021	\$1,508,085	\$2,473,259	19	\$101,285
Political Animals*	Horizon Scripted Television Inc. (Warner Horizon	\$4,449,523	\$20,672,874	\$33,903,513	256	\$1,388,421
Pittsburgh and Its Countryside		\$20,888,371	\$83,553,478	\$137,027,703	1,036	\$5,611,577
One Shot* (being released as Jack Reacher)	Paramount Pictures Corp.	\$14,512,794	\$58,051,174	\$95,203,925	720	\$3,898,804
Supah Ninjas*	Empire City Productions LLC	\$3,027,512	\$12,110,046	\$19,860,475	150	\$813,329
The Promised Land*	Gramercy Productions LLC (NBC Universal)	\$3,348,065	\$13,392,258	\$21,963,303	166	\$899,444
FY 2012-13 TOTAL		\$25,714,915	\$105,734,437	\$173,404,477	1,311	\$7,101,283
* Approved for film production tax credits from both FY 2011-12 and FY 2012-13 authorizations. Data shown is combined total for both fiscal years. FTE = Full-Time Equivalent						

Table 2b.
Film Production Tax Credits Awarded in FY 2012-13 for Tax Credits From
FY 2011-12 Tax Credit Authorization

				ESTIMATED ECONOMIC IMPACT Totals Attributable to Film's Production		
Region/Project Title	Entity Name	Tax Credit Award	Actual PA Production Expenses	Total Sales	Jobs (Annual FTE*)	State & Local Taxes
Dutch Country Roads		\$347,946	\$1,391,782	\$2,282,522	17	\$93,474
Restaurant Impossible - Season 2, 5 additional episodes	MSPT - Restaurant Impossible LLC	\$347,946	\$1,391,782	\$2,282,522	17	\$93,474
Philadelphia and The Countryside		\$18,404,099	\$96,321,020	\$157,966,474	1,194	\$6,469,063
1000 AE aka After Earth ⁺	Nova Prime Inc.	\$12,000,000	\$70,380,465	\$115,423,963	873	\$4,726,858
Detonator	Detonator LLC (Mortar Films)	\$24,792	\$99,166	\$162,632	1	\$6,660
Fix This Yard Season Three	Lawn and Order Pilot LLC (Nancy Glass Productions Inc.)	\$131,321	\$525,285	\$861,467	7	\$35,279
Good, Better, Best - The Series	Drill Team LLC (Nancy Glass Productions, Inc.)	\$243,162	\$972,647	\$1,595,141	12	\$65,324
Independence USA (formerly Apocalypse, PA)	The Workshop LLC	\$354,076	\$1,453,303	\$2,383,417	18	\$97,606
Kitchen Impossible Season 7	Logo Special Design by Love LLC (Nancy Glass Productions)	\$264,471	\$1,057,883	\$1,734,928	13	\$71,049
Last Days Here	9.14 Pictures LLC	\$25,776	\$113,029	\$185,368	1	\$7,591
Seeking Solutions with Suzanne 2012	Kelly Ryan Productions	\$203,973	\$815,890	\$1,338,060	10	\$54,796
Silver Linings Playbook	SLP Films, Inc. (The Weinstein Company)	\$4,458,824	\$17,835,296	\$29,249,885	221	\$1,197,845
Supervolcanoes	Spitz Inc.	\$93,600	\$474,353	\$777,939	6	\$31,858
The Good Night Show - 26 episodes	Center City Video	\$333,819	\$1,388,518	\$2,277,170	17	\$93,255
The Red Robin	Rowish Productions & Enterprises (PA) LLC	\$105,000	\$544,045	\$892,234	7	\$36,539
The Suspect	The Suspect LLC	\$165,285	\$661,140	\$1,084,270	8	\$44,403
Pittsburgh and Its Countryside		\$6,127,387	\$24,509,547	\$40,195,657	304	\$1,646,098
Elixir	Bossy Boss Productions, Inc. (Disney)	\$1,769,334	\$7,077,335	\$11,606,829	88	\$475,324
The Chief	The Chief Partners LLC	\$143,568	\$574,272	\$941,806	7	\$38,569
Won't Back Down (formerly known as Still I Rise)*	Blue Productions, LLC	\$4,214,485	\$16,857,940	\$27,647,022	209	\$1,132,205
Upstate PA		\$72,575	\$312,735	\$512,885	4	\$21,004
9 Ball	9 Ball LP (Mainstreet Productions LLC)	\$72,575	\$312,735	\$512,885	4	\$21,004
FY 2011-12 TOTAL		\$24,952,007	\$122,535,084	\$200,957,538	1,519	\$8,229,640

⁺Also received approval for film production tax credit program for FY 2012-13; audit and economic impact report for the FY 2012-13 tax credit has not yet been submitted such that figures presented in the table reflect the spending and tax credit awarded from the FY 2011-12 allocation.

*Received tax credits from two fiscal year authorizations. Data is shown for total tax credits awarded.

Table 2c. Film Production Tax Credits Awarded in FY 2012-13 for Tax Credits From FY 2010-11 Tax Credit Authorization						
				ESTIMATED ECONOMIC IMPACT Totals Attributable to Film's Production		
Region/Project Title	Entity Name	Tax Credit Award	Actual PA Production Expenses	Total Sales	Jobs (Annual FTE*)	State & Local Taxes
Dutch Country Roads		\$885,227	\$3,540,907	\$5,807,087	44	\$237,813
Restaurant Impossible - Season 2	MSPT - Restaurant Impossible LLC	\$885,227	\$3,540,907	\$5,807,087	44	\$237,813
Pennsylvania's Great Lakes Region		\$2,513	\$10,052	\$16,485	0	\$675
There Are No Goodbyes	Lyons Den Productions LLC	\$2,513	\$10,052	\$16,485	0.1	\$675
Philadelphia and The Countryside		\$2,798,436	\$11,228,560	\$15,162,779	139	\$754,126
Future Weather	Future Weather Productions LLC	\$94,407	\$377,626	\$619,307	5	\$25,362
Noodle and Doodle Season 2	Center City Video Inc.	\$479,403	\$1,925,332	\$3,157,544	24	\$129,308
Outlaw (formerly known as Untitled Eisendrath Pilot)	Open 4 Business Productions LLC	\$1,621,072	\$6,484,287	\$7,382,171	80	\$435,494
Philadelphia: The Great Experiment - Capital In Crisis - Yellow Fever 1793 (Episode #2) and Promise for a Better City (Episode #3)	History Making Productions LLC	\$196,712	\$808,692	\$1,326,255	10	\$54,313
The Best of Greatest Sports Legends - 2012	Steve Rotfeld Productions Inc.	\$267,387	\$1,074,803	\$1,762,677	13	\$72,185
The Discoverers	The Discoverers	\$139,455	\$557,820	\$914,825	7	\$37,464
Pittsburgh and Its Countryside		\$2,394,385	\$9,577,540	\$15,707,166	119	\$643,242
Perks of Being a Wallflower	Wallflower, LLC	\$2,394,385	\$9,577,540	\$15,707,166	119	\$643,242
FY 2010-11 TOTAL		\$6,080,561	\$24,357,059	\$36,693,517	302	\$1,635,857

Table 2d. Film Production Tax Credits Awarded in FY 2012-13 for Tax Credits From FY 2008-09 Tax Credit Authorization						
				ESTIMATED ECONOMIC IMPACT Totals Attributable to Film's Production		
Region/Project Title	Entity Name	Tax Credit Award	Actual PA Production Expenses	Total Sales	Jobs (Annual FTE*)	State & Local Taxes
Upstate PA		\$142,481	\$569,922	\$934,672	7	\$38,277
Good Day For It	Fish and Game LLC	\$142,481	\$569,922	\$934,672	7	\$38,277
FY 2008-09 TOTAL		\$142,481	\$569,922	\$934,672	7	\$38,277

Table 2e. Film Production Tax Credits Awarded in FY 2012-13 for Tax Credits From FY 2007-08 Tax Credit Authorization						
				ESTIMATED ECONOMIC IMPACT Totals Attributable to Film's Production		
Region/Project Title	Entity Name	Tax Credit Award	Actual PA Production Expenses	Total Sales	Jobs (Annual FTE*)	State & Local Taxes
Philadelphia and the Countryside		\$899,262	\$3,911,122	\$6,414,241	49	\$262,676
Dynamic Earth	Spitz, Inc	\$72,735	\$320,368	\$525,404	4	\$21,516
Healthy Sproutlets	Center City Video Inc	\$179,877	\$755,926	\$1,239,719	9	\$50,769
Sprout Commercials/Promos (2011)	Center City Video Inc	\$91,653	\$369,718	\$606,338	5	\$24,831
Sunny Side Up (2011)	Center City Video Inc	\$554,997	\$2,465,110	\$4,042,780	31	\$165,560
Pittsburgh and its Countryside		\$412,197	\$1,681,957	\$2,758,409	20	\$112,963
Mafia	Mafia the Movie LLC	\$291,647	\$1,166,588	\$1,913,204	14	\$78,350
Welcome to Shirley	Glow in the Dark	\$120,550	\$515,369	\$845,205	6	\$34,613
FY 2007-08 TOTAL		\$1,311,459	\$5,593,079	\$9,172,650	69	\$375,640

USE OF TAX CREDITS

Act 55 of 2007, as amended by Act 85 of 2012, specifies the tax credits may be applied against the tax liability of Pennsylvania's personal income tax; corporate net income tax; capital stock and franchise tax; bank shares tax or insurance premiums tax. Film production companies have the option of applying the film production tax credits to any Pennsylvania taxes they owe or selling or assigning the credits to one or more entities. They also may carry over their credits for up to three taxable years following the first taxable year in which the taxpayer (i.e., production company) is entitled to claim the credit.

Purchasers and assignees may use film production tax credits to offset up to 50% of their qualified tax liability for any of the taxes specified in the enabling legislation for the taxable year. Act 85 of 2012 provides a limited carry forward provision for purchasers or assignees of a film production tax credit for all or any unused portion of tax credit purchased or assigned in calendar year 2010. Such tax credits may be used against qualified tax liabilities incurred in the 2011 and 2012 taxable years.

There are no carryback or refund provisions for unused tax credits for either production companies or purchasers/assignees of film production tax credits.

Use of Issued Film Production Tax Credit Certificates in FY 2012-13 By Fiscal Year of Tax Credit Authorization

In FY 2012-13, 44 film production companies sold, transferred or redeemed film production tax credit certificates worth \$48.6 million. (*Note: A number of productions received tax credits in two different fiscal years, which are listed separately bringing the total number of occurrences to 48.*) The vast majority of tax credits (i.e., 99.4%, or \$48.3 million) were either sold or transferred to another entity, with just \$0.3 million used by the production company to reduce its Pennsylvania tax liability.

The following tables list the dollar amount of tax credits used by production companies either to reduce their Pennsylvania tax liability and/or sold or transferred to another entity or entities by fiscal year in which the production was initially approved for participation in the state's film production tax credit program. As noted above, the data for productions that were awarded film production tax credits in two separate fiscal years is provided for each year.

Film production companies may sell or assign their tax credits to one or more entities. The tables below list the total amount of film production tax credits used by each production company to offset its Pennsylvania tax liability and/ or sold or assigned, and not each individual sale/assignment for any one year.

Table 3a. Use of Issued Film Production Tax Credit Certificates in FY 2012-13 FY 2012-13 Tax Credit Authorization			
Project Name	Entity	Amount Used by FPTC Recipient	Amount Sold/Transferred
One Shot (being released as Jack Reacher) ⁺	Paramount Pictures Corporation	\$0	\$2,512,794
Supah Ninjas ⁺	Empire City Productions LLC	\$0	\$2,027,512
The Promised Land ⁺	Gramercy Productions LLC (NBC Universal)	\$0	\$2,673,094
TOTAL		\$0	\$7,213,400

⁺Also awarded film production tax credits in FY 2011-12.

Table 3b. Use of Issued Film Production Tax Credit Certificates in FY 2012-13 FY 2011-12 Tax Credit Authorization			
Project Name	Entity	Amount Used by FPTC Recipient	Amount Sold/Transferred
1000 AE aka After Earth ⁺	Nova Prime Inc	\$0	\$6,600,000
9 Ball	9 Ball LP (Mainstreet Productions LLC)	\$0	\$72,575
Detonator	Detonator LLC (Mortar Films)	\$0	\$20,000
Elixir	Bossy Boss Productions, Inc. (Disney)	\$0	\$1,769,334
Fix This Yard Season Three	Lawn and Order Pilot LLC (Nancy Glass Productions Inc)	\$0	\$131,321
Good, Better, Best - Pilot	L&O LLC (Nancy Glass Productions, Inc)	\$2,076	\$268,019
Independence USA (formerly Apocalypse, PA)	The Workshop LLC	\$0	\$354,076
Kitchen Impossible Season 7	Logo Special Design by Love LLC (Nancy Glass Productions)	\$264,471	\$0
Last Days Here	9.14 Pictures LLC	\$702	\$25,074
My Design Life	My Design Life LLC	\$30,000	\$54,900
One Shot (being released as Jack Reacher) ⁺	Paramount Pictures Corporation	\$0	\$12,000,000
Restaurant Impossible, Season 2 - 5 add'l episodes	MSPT - Restaurant Impossible LLC	\$0	\$347,946
RV 2012	RV 2010, LLC (Nancy Glass Productions)	\$0	\$27,221
Seeking Solutions with Suzanne 2012	Kelly Ryan Productions	\$0	\$203,973
Silver Linings Playbook	SLP Films, Inc (The Weinstein Company)	\$0	\$4,458,824
Supah Ninjas ⁺	Empire City Productions LLC	\$0	\$1,000,000
Tanked	Logo Special Design by Love LLC (Nancy Glass Productions)	\$0	\$290,826
The Chief	The Chief Partners LLC	\$0	\$143,568
The Good Night Show - 26 episodes	Center City Video	\$0	\$333,819
The Haney Project - Camp Haney	The Workshop LLC	\$0	\$89,880
The Promised Land ⁺	Gramercy Productions LLC (NBC Universal)	\$0	\$674,971
The Red Robin	Rowish Productions & Enterprises (PA) LLC	\$0	\$105,000
The Suspect	The Suspect LLC	\$0	\$165,285
Won't Back Down (formerly known as Still I Rise) ⁺	Blue Productions, LLC	\$10,655	\$249,101
TOTAL		\$307,904	\$29,385,713

⁺ Also awarded film production tax credits in FY 2012-13.
* Also awarded film production tax credits in FY 2010-11.

Table 3c.
Use of Issued Film Production Tax Credit Certificates in FY 2012-13
FY 2010-11 Tax Credit Authorization

Project Name	Entity	Amount Used by FPTC Recipient	Amount Sold/Transferred
Extreme Makeover Home Edition	Lock & Key Productions	\$0	\$116,642
Future Weather	Future Weather Productions LLC	\$0	\$94,407
Noodle and Doodle Season 2	Center City Video Inc.	\$0	\$479,403
Outlaw (formerly known as Untitled Eisendrath Pilot)	Open 4 Business Productions LLC	\$0	\$1,621,072
Perks of Being a Wallflower	Wallflower, LLC	\$0	\$2,394,385
Philadelphia: The Great Experiment - Capital In Crisis - Yellow Fever 1793(Episode #2) & Promise for a Better City (Episode #3)	History Making Productions LLC	\$0	\$116,443
Restaurant Impossible - Season 2	MSPT - Restaurant Impossible LLC	\$0	\$885,272
Seeking Solutions with Suzanne: Exploring the Arts	Kelly Ryan Productions	\$0	\$204,100
Staten Island Cakes	Showhouse Special Fine Living LLC	\$0	\$5,444
The Discoverers	The Discoverers Movie LLC	\$0	\$139,455
Weekends with Luis	Banyan Productions Inc.	\$0	\$175,440
Won't Back Down (formerly known as Still I Rise)*	Blue Productions, LLC	\$0	\$3,954,729
TOTAL		\$ 0	\$10,186,792

* Also awarded film production tax credits in FY 2011-12.

Table 3d.
Use of Issued Film Production Tax Credit Certificates in FY 2012-13
FY 2009-10 Tax Credit Authorization

Project Name	Entity	Amount Used by FPTC Recipient	Amount Sold/Transferred
Fabulous Cakes	Banyan Productions Inc.	\$0	\$107,738
My Dog Ate What	L&O LLC	\$1,522	\$67,468
Trading Spaces: Where Are They Now	Banyan Productions Inc.	\$0	\$97,484
TOTAL		\$1,522	\$272,690

Table 3e.
Use of Issued Film Production Tax Credit Certificates in FY 2012-13
FY 2007-08 Tax Credit Authorization

Project Name	Entity	Amount Used by FPTC Recipient	Amount Sold/Transferred
Billy Gardell DVD	Levity Entertainment Group LLC	\$0	\$31,577
Healthy Sproutlets	Center City Video Inc	\$0	\$179,877
Mafia	Mafia the Movie LLC	\$0	\$291,647
Sprout Commercials/Promos (2011)	Center City Video Inc	\$0	\$91,653
Sunny Side Up 2011	Center City Video Inc	\$0	\$554,997
Welcome to Shirley	Glow in the Dark Pictures LLC	\$0	\$120,468
TOTAL		\$ 0	\$1,270,219

Table 3f.

**Summary Table: Use of Issued Film Production Tax Credit Certificates in FY 2012-13
By Fiscal Year of Tax Credit Authorization**

Fiscal Year	Total Number of Productions	Amount Used by FPTC Recipient	Amount Sold/Transferred
FY 2007-08	6	\$0	\$1,270,219
FY 2008-09	0	\$0	\$0
FY 2009-10	3	\$1,522	\$272,690
FY 2010-11	12	\$0	\$10,186,792
FY 2011-12	24	\$307,904	\$29,385,713
FY 2012-13	3	\$0	\$7,213,400
TOTAL	48	\$309,426	\$48,328,814