

REPORT TO THE GENERAL ASSEMBLY

FILM PRODUCTION TAX CREDIT PROGRAM

FY 2019-20



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REPORT TO THE GENERAL ASSEMBLY PENNSYLVANIA'S FILM PRODUCTION TAX CREDIT PROGRAM FY 2019-20

PROGRAM OVERVIEW

Pennsylvania's Film Production Tax Credit is an economic development tool created to foster the growth and development of the state's film industry. The program provides a tax credit equal (in most cases) to 25% of a production's "qualified film production expenses" if at least 60% of a production's total budget is spent in Pennsylvania¹. The program was first authorized under Act 55 of 2007 and amended by Act 85 of 2012, Act 52 of 2013, Act 84 of 2016 (which placed the program under an umbrella "Entertainment Production Tax Credit" program, and Act 13 of 2019. The types of film production eligible for a tax credit include feature films; TV films, talk or game show series, pilots or episodes intended as programming for a national audience; commercials; and documentaries.

Feature films and television productions intended for a national audience that meet the "minimum stage filming requirements" at a "qualified production facility"² may receive an additional 5% tax credit for a total tax credit equal to 30% of their qualified film production expenses. The minimum stage filming requirements are based on the projected amount of in-state expenditures with stronger requirements for large-budget productions. To qualify for the additional credit, productions with a projected in-state spend under \$30 million must build at least one set and shoot for a minimum of 10 days at a qualified production facility and directly spend at least \$1.5 million at the facility, while productions with projected in-state expenditures of \$30 million or more must build at least two sets, shoot for a minimum of 15 days, and have direct expenditures of at least \$5 million at a qualified production facility.

Act 84 of 2016 authorized a 30% tax credit for qualified post production expenses incurred at a "qualified post-production facility," i.e., a facility located in Pennsylvania with a capital investment of at least \$500,000 and employ at least 10 full-time employees who reside within the state, and is approved by DCED. Note: The 30% tax credit for qualified postproduction expenses may be awarded to productions with no other production activity within Pennsylvania.

Upon completion of all phases of production (i.e., pre-production, principal photography, and post-production) and submission of an Examination Engagement Report prepared by an independent certified public accountant of all production expenses and an economic impact report approved by DCED, the production is issued a Film Production Tax Credit Certificate. A production company may use the credit to offset 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 is issued to use the credit.

¹ The department may waive the 60% requirement for feature films, TV films, or TV series intended for a national audience with PA production expenses of at least \$30 million per production and that meet the minimum stage filming requirements for filming at a qualified production facility (see below) for projects that would be financially beneficial for the commonwealth.

² "Qualified Production Facility." A film production facility located within this commonwealth that contains at least one sound stage with a column-free, unobstructed floor space and meets either of the following criteria:

- (1) Has had a minimum of \$10,000,000 invested in the film production facility in land or a structure purchased or ground-up, purpose-built new construction or renovation of existing improvement.
- (2) Meets at least three of the following criteria:
 - (i) a sound stage having an industry standard noise criteria rating of 25 or better;
 - (ii) a permanent grid with minimum point load capacity of no less than 1,000 pounds at a minimum of 25 points;
 - (iii) built-in power supply available at a minimum of 4,000 amps per sound stage without the need for supplemental generators;
 - (iv) a height from sound stage floor to permanent grid of a minimum of 20 feet;
 - (v) a sound stage with a sliding or roll-up access door with a minimum height of 14 feet;
 - (vi) a built-in HVAC capacity during shoot days with a minimum of 50 tons of cooling capacity available per sound stage;
 - (vii) perimeter security that includes a 24-hour, 7-days-a-week security presence and use of access control identification badges;
 - (viii) onsite lighting and grip department with an available inventory stored at the film production facility with a minimum cost of investment of \$500,000;
 - (ix) a sound stage with contiguous production offices with a minimum of 5,000 square feet per sound stage.

Close to \$800 million in Film Production Tax Credits have been approved/awarded³ to film production companies since the program's inception. These companies have, or will have upon completion, directly injected nearly \$3.3 billion into the state's economy; generated an estimated \$5.2 billion in total economic activity and \$785 million in total state and local taxes; and supported an estimated 30,650 full-time equivalent PA jobs, based on the most recent IMPLAN multipliers provided by the Pennsylvania Department of Labor and Industry.

NOTE: The *IMPLAN* multipliers used to estimate the economic impact are revised annually, with multipliers for prior years adjusted and tied to the most recent year.

The figures presented in this report 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 withdrew from the program.⁴
- (3) The completion of productions approved for Film Production Tax Credits with the initial spending estimates revised to reflect the actual amount of Pennsylvania qualified expenses, the production's total expenses, and the tax credits awarded.
- (4) The reissuance of unused tax credits from: (a) completed productions whose awarded tax credit is below the amount initially approved or (b) productions that were approved for a tax credit but withdrew from the program,⁴ starting with productions approved in FY 2017-18. The reissued tax credits are provided to productions not initially approved for a tax credit and/or to productions that received approval for only a portion of the amount of tax credits for which they are eligible (e.g., large-budget feature films or TV series).⁵ (Note: Every year the program is oversubscribed with the total amount of requested tax credits far exceeding each year's total available allocation.)
- (5) Updated/revised *Implan* multipliers.

³ It is important to note the distinction between tax credits that are "approved" vs. "awarded." Production companies selected to participate in the Film Production Tax Credit Program receive an initial approval letter stating the maximum amount of tax credits the company is eligible to receive upon completion of the production. This amount, i.e., the approved amount, is based on the estimated eligible, or "qualified," Pennsylvania production expenses and the total amount of Film Production Tax Credits available for a fiscal year.

Once a production is completed, the actual amount of tax credits awarded is based on the production's actual qualified expenditures, as confirmed by a certified public accountant in an Examination Engagement Report. Film productions whose actual qualified expenses are higher than initially estimated are awarded a tax credit equal to the maximum amount specified in the approval letter — despite the production's higher spending level, while productions whose actual qualified expenses are below the amount initially specified in the application are awarded a smaller amount of tax credits than initially approved. As a result, the total dollar amount of tax credits awarded since the program's inception may be less than the total amount of film tax credits authorized for a particular fiscal year.

⁴ Almost every year, a number of productions withdraw or are withdrawn by DCED from the Film Production Tax Credit Program. Reasons for withdrawal include among others a production's inability to secure the necessary financing, scheduling conflicts involving key cast members, and/or the lack of qualified production crew members when needed that prevent the production company from commencing filming in PA within the program's required 90-day window following the production's approval for a Film Production Tax Credit. In addition, productions that fail to complete all production activity and/or file the requisite end-of-production Examination Engagement Report and other required documents within the specified time period are withdrawn.

⁵ Tax credits for large-budget productions may be allocated over two or more fiscal years. Since the production cycle for these productions can span two or more fiscal years, the total amount of tax credits is allocated over the life of the production. In these cases, conditional letters of approval are issued for the portion of tax credits to be issued in future years and are subject to the program's continuation and approval of a sufficient amount of Film Production Tax Credits during the annual state budget process to meet these future obligations.

SUMMARY STATISTICS

SUMMARY FOR FY 2007-08 THROUGH FY 2019-20

The Pennsylvania Film Office has received and reviewed approximately 855 applications for the state's Film Production Tax Credit Program since the program began in July 2007. The office has approved/awarded tax credits to 509 productions through FY 2019-20. Productions receiving tax credits have ranged from small-budget films with production budgets under \$15,000 to major feature films costing well over \$100 million, and have benefited both large Hollywood production companies and young Pennsylvania film producers just starting out.

The total amount of tax credits approved for the 13 productions from the FY 2019-20 allocation and conditional approval from future year allocations (including the one project receiving reissued credits from a prior year and conditional approval from future year allocations) is included under the assumption the companies will complete all production activities as outlined in their applications and the conditional tax credits will be awarded. No productions received conditional approval only in FY 2019-20.

Tax Credits Approved/Awarded by Type of Film Production, FY 2007-08 through FY 2019-20

The following table provides for each major category of film production: (1) the total number of productions, (2) the total dollar amount of tax credits approved/awarded, (3) the average amount of tax credits awarded/approved, (4) the median amount of tax credits approved/awarded, and (5) the total dollar amount of qualified expenditures since the program began in FY 2007-08 through FY 2019-20.

**Tax Credits Approved/Awarded by Type of Film Production
FY 2007-08 through FY 2019-20**

Production Type	Total Number of Productions	Total Dollar Amount of Film Tax Credits Approved/Awarded	Average (Mean) Amount of Film Tax Credits Approved/Awarded	Median Amount of Film Tax Credits Approved/Awarded	Qualified Production Spending in Pennsylvania
Commercials	43	\$1,468,761	\$34,157	\$18,950	\$6,220,352
Documentaries	31	\$4,800,341	\$154,850	\$120,550	\$20,435,488
Feature Films	155	\$443,979,428	\$2,864,383	\$291,647	\$1,714,132,632
TV Productions	275	\$367,383,328	\$1,335,939	\$232,516	\$1,523,162,837
Other	5	\$334,294	\$66,859	\$71,713	\$1,625,067
Total/Average	509	\$817,966,153	\$1,506,370	\$193,708	\$3,265,576,375

Includes data on productions approved for tax credits in FY 2019-20 and conditional approval for additional tax credits from future year allocations under the assumption the program will continue and these projects will be completed since production has already begun. Also included are the three productions that were approved for reissued tax credits from prior year allocations.

As shown, TV productions account for the largest number of projects approved/awarded Film Production Tax Credits since the program began (275, or 54% of the total), but received 45% of the tax credits. In contrast, feature films account for 30% of the projects approved/awarded tax credits but a far higher percentage (54%) of the \$818 million in total approved/awarded tax credits. The difference in the number of projects relative to the dollar amount of tax credits approved/awarded between the two types of production is largely due to the small number of large-budget feature films that have received tax credits. The 11 feature films with total production budgets of at least \$50 million represent 2% of the number of productions approved for/awarded a tax credit to date, but 23% of the total dollar amount of tax credits approved/awarded. Note: Following the authorization to provide conditional approval for tax credits from future years, the percentage of tax credits approved for/awarded to TV productions has steadily risen as more large-budget, multi-season TV series have filmed in the state. Nine of these TV productions have total budgets of at least \$50 million and account for 17% of the total dollar amount of tax credits approved/awarded to date.

The average (mean) dollar amount of Film Production Tax Credits approved/awarded to feature films is also significantly higher than for TV or the other types of production. However, there is a far smaller difference between feature films and TV productions in the median amount of film tax credits approved/awarded due to the similar proportion of feature films and television programs with total production budgets below \$1 million, i.e., 43% of feature films and 44% of television programs. As a result, the median award for feature films is just 1.3 times that of TV shows.

Tax Credits Approved/Awarded by Size of Total Production Budget, FY 2007-08 – FY 2019-20

Lower budget productions account for a majority approved/awarded a Film Production Tax Credit but a very small percentage of the total dollar amount of tax credits approved/awarded, as shown in the table below. The 256 productions with budgets under \$1 million together account for 50% of productions approved/awarded a film tax credit, but just 3% of the tax credits approved/awarded since the program began. In contrast, the 20 productions (11 feature films and 9 television shows) with actual or projected budgets of \$50 million or more represent 4% of the total number of projects, but 40% of the total dollar amount of tax credits approved/awarded to date. The total Pennsylvania qualified expenditures of these 20 large-budget productions are nearly 15 times that of the 256 productions with budgets under \$1 million.

The following table shows: (a) the total number of productions approved/awarded film tax credits through FY 2019-20 according to the size of the total production budget, (b) the total dollar amount of tax credits approved/awarded, (c) the total dollar amount of qualified spending in Pennsylvania, and (d) the percent of total for the various measures. The dollar amount of tax credits and the qualified production spending include the actual amounts for completed projects (based on the figures provided in the required examination reports and economic impact reports) and the estimated amounts, as provided in their project applications, for productions yet to be completed by the end of FY 2019-20.

Tax Credits Approved/Awarded by Size of Total Production Budget FY 2007-08 through FY 2019-20

Total Production Budget	Number of Productions Approved/Awarded Film Tax Credits	Percent of Total Productions	Total \$ Amount of Tax Credits Approved/Awarded	Percent of Film Tax Credits	Qualified Production Spending in Pennsylvania
<\$100k	34	7%	\$349,393	0.04%	\$1,546,785
100k - \$250k	64	13%	\$2,072,078	0.3%	\$8,670,880
\$250k - \$500k	71	14%	\$5,388,192	0.7%	\$22,852,382
\$500k - \$750k	49	10%	\$6,371,561	0.8%	\$26,800,556
\$750k - \$1 mil	38	7%	\$6,442,938	0.8%	\$27,242,401
\$1 mil - \$2.5 mil	99	19%	\$30,085,389	3.7%	\$124,657,881
\$2.5 mil - \$5.0 mil	44	9%	\$31,470,448	3.8%	\$127,724,000
\$5.0 mil - \$10 mil	27	5%	\$37,423,035	4.6%	\$157,154,397
\$10 mil - \$25 mil	23	5%	\$82,659,353	10.1%	\$320,762,105
\$25 mil - \$50 mil	40	8%	\$290,237,198	35.5%	\$1,175,032,020
\$50 mil - \$100 mil	15	3%	\$208,031,880	25.4%	\$813,584,842
\$100+ million	5	1%	\$117,434,689	14.4%	\$459,548,127
TOTAL	509	100%	\$817,966,153	100%	\$3,265,576,375

SUMMARY FOR PRODUCTIONS APPROVED/AWARDED TAX CREDITS IN FY 2019-20

The Pennsylvania Film Office approved 30 of the 53 Film Production Tax Credit applications the office received for tax credits from the FY 2019-20 allocation and one production that received conditional approval only for tax credits from future year allocations and none from the FY 2019-20 allocation. (This production is listed separately in Table 1.1 and not included in the summary tables below.) Thirteen of the productions approved for tax credits from the FY 2019-20 allocation also received conditional approval for \$58 million in tax credits from future year allocations (subject to availability), with seven of these productions also receiving tax credits from prior fiscal year allocations.

Under provisions of Act 84 of 2016, DCED may re-issue unused tax credits from completed film productions whose final tax credit award is below the amount of tax credit for which the production was initially approved, starting with those awarded tax credits in fiscal years after June 30, 2017. In FY 2019-20, three productions were approved for tax credits from the unused film production tax credits from the 2017-18 and 2018-19 fiscal year allocations. *Note: Two of these productions also received approval for tax credits from the FY 2019-20 allocation and, as such, are included in the tables below. The data for the third production is listed in a separate table (Table 1-1) in a later section.*

Tax Credits Approved by Production Type, FY 2019-20

As in prior years, feature films and television programs accounted for the vast majority of tax credit approvals in FY 2019-20 in terms of both the number of productions and the total dollar amount of tax credits approved. Together, feature films and television programs accounted for all but three (all documentaries) of the 30 approved projects and over 99% of the tax credits approved/awarded from the FY 2019-20 allocation.

As of June 30, 2020, seven productions approved for Film Production Tax Credits from the FY 2019-20 allocation had completed all phases of production and submitted the requisite Examination Engagement and economic impact reports and were issued a tax credit certificate by the end of the fiscal year.

**Tax Credits Approved by Production Type
FY 2019-20 Film Production Tax Credit Authorization**

Production Category	Total Number of Productions	Percent of Total Number of Productions	Total Dollar Amount of FY 2019-20 Tax Credits Approved/Awarded	Percent of Dollar Amount of Tax Credits Approved/Awarded
Commercials	0	0%	\$0	0%
Documentaries	3	10%	\$486,616	1%
Feature Films	14	47%	\$23,806,745	34%
TV Productions	13	43%	\$45,537,836	65%
Other	0	0%	\$0	0%
<i>Unused FY 2019-20 Tax Credits*</i>			\$168,803	
TOTAL	30	100%	\$70,000,000	100%

*Note: The \$168,803 in unused FY 2019-20 tax credits came from projects that were approved for and subsequently awarded a tax credit certificate from the FY 2019-20 allocation. The actual qualified expenditures for these productions were below the estimate provided in the application with the awarded amount of tax credit below the amount initially approved. Due to COVID-19, these unused credits could not be re-issued before the end of the FY 2019-20 fiscal year.

Data excluded for the one production approved for nearly \$8.2 million in tax credits on a conditional basis only from upcoming fiscal year tax credit allocations and also reissued credits from the previous fiscal year. The table includes data on productions approved for tax credits in FY 2019-20 and conditionally approved for additional tax credits from future year allocations under the assumption the program will continue and these projects will be completed since production activity has already begun. Also included in the summary table are productions that were approved for tax credits in prior years as well as from the FY 2019-20 allocation.

Tax Credits Approved by Size of Total Production Budget, FY 2019-20

Eight productions, or close to 25% of the productions approved for a Film Production Tax Credit from the FY 2019-20 allocation, had total production budgets of under \$1 million and together accounted for just 1.2% of the fiscal year's approved tax credits. An additional six productions had total budgets between \$1 million and \$5 million. Taken together with the lowest budget productions, these 14 productions represented 47% of the productions approved for a film tax credit from the FY 2019-20 allocation, but accounted for less than 5% of the total dollar amount of approved credits.

The two feature films and five television productions with total budgets over \$50 million accounted for 23% of the productions approved for a tax credit from the FY 2019-20 Film Production Tax Credit allocation and for over two-thirds (or close to \$47.3 million) of the tax credits approved for FY 2019-20. Five of these productions were also approved for close to \$31 million from future year tax credit allocations, depending on continued availability.

Tax Credits Approved/Awarded by Size of Total Production Budget FY 2019-20 Film Production Tax Credit Authorization

Total Production Budget	Number of Productions Approved for Film Tax Credits	Percent of Total Productions	\$ Amount of Tax Credits Approved/Awarded	Percent of Total Film Tax Credits Approved/Awarded	Projected/ Actual Spending in Pennsylvania
<\$100k	1	3%	\$16,852	0.02%	\$67,407
100k - \$250k	0	0%	0	0.0%	0
\$250k - \$500k	2	7%	\$106,415	0.2%	\$554,737
\$500k - \$750k	3	10%	\$312,096	0.5%	\$1,814,910
\$750k - \$1 mil	2	7%	\$372,100	0.5%	\$1,471,641
\$1 mil - \$2.5 mil	4	13%	\$1,198,424	2%	\$5,587,178
\$2.5 mil - \$5.0 mil	2	7%	\$1,348,088	2%	\$7,093,192
\$5.0 mil - \$10 mil	1	3%	\$1,000,000	1%	\$6,657,641
\$10 mil - \$25 mil	4	13%	\$8,532,170	12%	\$54,972,575
\$25 mil - \$50 mil	4	13%	\$9,684,939	14%	\$143,936,836
\$50 mil - \$100 mil	6	20%	\$40,962,504	59%	\$336,662,519
\$100+ million	1	3%	\$6,297,609	9%	\$87,693,370
<i>Unused FY 2019-20 Tax Credits*</i>			\$168,803	---	
TOTAL*	30	100%	\$70,000,000	100%	\$646,512,006

*Note: The \$168,803 in unused FY 2019-20 tax credits came from projects that were approved for and subsequently awarded a tax credit certificate from the FY 2019-20 allocation. The actual qualified expenditures for these productions were below the estimate provided in the application with the awarded amount of tax credit below the amount initially approved. Due to COVID-19, these unused credits could not be re-issued before the end of the FY 2019-20 fiscal year.

Data excluded for the one production approved for nearly \$8.2 million in tax credits on a conditional basis only from upcoming fiscal year tax credit allocations and also reissued credits from the previous fiscal year. The table includes data on productions approved for tax credits in FY 2019-20 and conditionally approved for additional tax credits from future year allocations under the assumption the program will continue and these projects will be completed since production activity has already begun. Also included in the summary table are productions that were approved for tax credits in prior years as well as from the FY 2019-20 allocation.

FY 2019-20 FILM PRODUCTION TAX CREDIT ACTIVITY, BY FILM

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, Act 84 of 2016, and Act 13 of 2019) 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 2019-20 is provided in the following sections of this report.

DCED approved 30 applications for Film Production Tax Credits from the FY 2019-20 Film Production Tax Credit allocation, with 12 of these productions also approved for tax credits from prior year allocations – including three productions that received an allocation of unused tax credits from the 2017-18 and 2018-19 fiscal years. As of June 30, 2020, seven productions approved for tax credits from the FY 2019-20 allocation had completed all production activities, submitted the required Examination Engagement and economic impact reports, and been issued a Film Production Tax Credit Certificate during the 2019-20 fiscal year. Data for these seven productions is included on Table 2 showing the completed productions issued Film Production Tax Credit Certificates in FY 2019-20.

Table 1 lists the remaining 23 productions that were approved for tax credits from the FY 2019-20 allocation but had yet to be completed by June 30, 2020, including the two productions that also received approval for unused tax credits reissued from prior year allocations. The table shows 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 the beginning of production activities and equal to "25% of the qualified film production expenses incurred," or 30% if the production meets the requirements for filming at a qualified production facility and/or qualified postproduction facility, subject to the total amount of tax credits available. The data is presented by geographic region in which the film production activities largely occurred or will occur.

Table 1.1 lists the one production that was approved in FY 2019-20 with FY 2018-19 unused tax credits and conditional approval for tax credits from future year allocations. Note: The two productions that also received unused tax credits from prior year allocations but were also approved for tax credits from the FY 2019-20 allocation are listed in Table 1.

Table 2 lists the productions that: (a) received a Film Production Tax Credit Certificate in FY 2019-20 indicating the production was complete and had filed all the required end of production reports, by region and fiscal year in which the tax credit was authorized; (b) the actual amount of tax credits awarded for each production; and (c) the estimated economic impact of the production in terms of sales, employment, and state and local taxes generated.

As noted in earlier sections of this report, in cases where the actual audited amount of total Pennsylvania qualified expenses upon completion of a film production was less than the amount specified in the proposed budget, the actual amount of tax credits awarded was 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 exceeded the amount specified in the proposed budget, the tax credit was limited to the amount specified in the approval letter issued by the department to the production company prior to the commencement of production activities.

The third and final section provides a list of completed productions that used and/or sold or assigned their Film Production Tax Credits in FY 2019-20 and the dollar amounts, by fiscal year in which the production was approved to participate in the Film Production Tax Credit Program.

To date, there are 35 film productions approved for \$132 million in Film Production Tax Credits that have yet to complete production and/or filed the reports required before a Film Production Tax Credit Certificate can be issued.

**Table 1. Film Production Tax Credits Approved But Project Not Completed in FY 2019-20
By Region**

Note: The amount of Approved Tax Credits shown is from the FY 2019-20 allocation only, i.e., does not include any amounts approved in previous years and/or conditionally approved from upcoming fiscal years.

Note: Seven productions approved for a Film Production Tax Credit in FY 2019-20 had completed all phases of production, submitted the required reports, and awarded a Film Production Tax Credit Certificate before the end of FY 2019-20. The data for these productions is presented in Table 2.

Table 1. Film Productions Approved in FY 2019-20, But NOT Completed by June 30, 2020		
Region/Project Title	Entity Name	Approved Tax Credit
Dutch Country Roads		\$1,163,648
Blindsided	Keystone Blindsided LLC (Inspiring Films LLC)	\$192,167
Brave the Dark	Keystone Brave LLC (Inspiring Films LLC)	\$791,548
Locked In	Locked In Film Production LLC	\$179,933
Philadelphia and The Countryside		\$36,558,193
Concrete Cowboys+	Fletcher Street, LLC (fka Neighborhood Film Co)	\$1,000,000
Dispatches From Elsewhere (Season 1)+	Dispatches Productions I, LLC (Stalwart Films, LLC & AMC TV Studios, LLC)	\$8,760,065
Mare of Easttown+	Random Productions, Inc. (HBO)	\$11,500,000
Philadelphia: The Great Experiment (Final Episode)#	History Making Productions, LLC	\$4,838
QVC (7/1/2019 - 6/30/2020)	QVC, Inc.	\$3,825,000
Servant (Season 1)·	Uncle George Productions, LLC (Blinding Edge - M. Night)	\$3,153,722
Servant (Season 2)+	Uncle George Productions, LLC (Blinding Edge - M. Night)	\$6,791,548
Sno Babies	Sno Babies Movie, LLC	\$132,258
The Vet Life (Season #3) (Postproduction only)·	The Vet Life, LLC (Glass Entertainment Group, LLC)	\$417,625
Xploration Nation (2017/21) Part B (2020-22)+#	Steve Rotfeld Productions, Inc.	\$973,137
Pittsburgh and Its Countryside		\$28,861,815
Happiest Season+	Tristar Productions, Inc. (Sony)	\$3,502,947
I Am Not Okay With This (Season 1)+	Teen Angst Productions, LLC (Netflix)	\$1,056,086
I'm Your Woman+	Big Indie Woman, Inc. (Amazon)	\$3,000,000
Ma Rainey's Black Bottom+	Netflix Productions, LLC	\$1,706,217
Manhunt: Lone Wolf+	Manhunt Productions, Inc. (Lionsgate)	\$1,000,000
MindHunter (Season 2)+	Late Seventies Productions, LLC (Netflix)	\$6,297,609
Remember Amnesia·	Godse-Thakar Productions, LLC	\$25,015
Sweet Girl +	Netflix Productions, LLC	\$11,717,401
Unsinkable+	Cinatit, LLC	\$556,540
Pennsylvania Wilds		\$175,000
TomBob Outdoors, Friends in Wild Places (Season 8)	TomBob Outdoors, LLC (Continuous Metal Technology, Inc.)	\$175,000
Productions Both Approved For and Awarded Tax Credits in FY 2019-20 (FY 2019-20 Tax Credit Amount Only)		\$3,072,541
Unused FY 2019-20 Tax Credits*		\$168,803
STATE TOTAL		\$70,000,000
*Approved for Film Production Tax Credits in FY 2019-20 and prior fiscal year(s). Amount of tax credit shown is only the FY 2019-20 portion.		
+Approved for Film Production Tax Credits in FY 2019-20 and conditional approval for credits in subsequent fiscal year(s); amount of tax credit shown is only the amount approved from the FY 2019-20 allocation.		
# Approved for Film Production Tax Credits in FY 2019-20 and reissued tax credits from prior fiscal year.		

**Table 1.1.
Film Productions Approved in FY 2019-20 From Reissued Tax Credits**

Region/Project Title	Entity Name	Amount from FY 2017-18 Unused Tax Credits
Pittsburgh and Its Countryside		\$3,000,000
Fidelis (Rust Belt)	Fidelis Productions, LLC (Platform One Media Productions, LLC)	\$3,000,000
STATE TOTAL		\$3,000,000
<p><i>+Approved for Film Production Tax Credits reissued from FY 2018-19 allocation and conditional approval for credits in subsequent fiscal year(s); amount of tax credit shown is only the amount approved from the FY 2018-19 reissued credits.</i></p>		

FILM PRODUCTION TAX CREDIT CERTIFICATES AWARDED IN FY 2019-20

Pursuant to Section 8711 – D(a) of Act 55 of 2007, the data for productions claiming tax credits in FY 2019-20 is presented below by geographic region. Note: A tax credit is not “claimed” until a Film Production Tax Credit Certificate has been issued by DCED upon completion of all phases of production and the required reports submitted and approved by the department.

Table 2 below presents the required information and estimated total economic impact for each production completed and issued a Film Production Tax Credit certificate in FY 2019-20. 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. Note: the *IMPLAN* multipliers are revised annually.

The productions are organized according to the fiscal year in which the tax credits were authorized except for productions that received tax credit approvals in more than one fiscal year. In these cases, the data is combined and the production listed under the fiscal year of its most recent Film Production Tax Credit approval. For example, productions receiving tax credits from the FY 2018-19 and FY 2019-2020 allocations are shown only in the FY 2019-2020 table (Table 2a) and not also in the FY 2018-19 table (Table 2b).

Table 2. Film Production Tax Credit Certificates Awarded & Estimated Economic Impact For Productions Completed in FY 2019-20

Table 2a. Film Production Tax Credit Certificates Awarded in FY 2019-2020 for Tax Credits From FY 2019-2020 Tax Credit Allocation				ESTIMATED ECONOMIC IMPACT Totals Attributable to Production		
Region/Project Title	Entity Name	Total+ Tax Credit Award	Actual PA Production Expenses	Total Sales	Jobs (Annual FTE)	State & Local Taxes
Dutch Country Roads		\$366,657	\$1,466,625	\$2,258,603	13	\$329,499
Dust Nuggets	Tracy Schott Productions, LLC	\$16,852	\$67,407	\$103,807	1	\$15,144
Expedition Chesapeake, A Journey of Discovery*	Whitaker Center Productions, Inc.	\$349,805	\$1,399,218	\$2,154,796	12	\$314,355
Philadelphia and The Countryside		\$16,554,296	\$56,274,317	\$85,660,870	498	\$12,642,869
Alpha Rift	Falling Cat Productions, LLC	\$81,400	\$348,442	\$536,601	3	\$78,283
Apollo 11	Steve Rotfeld Productions, Inc.	\$300,000	\$1,200,008	\$1,437,098	11	\$269,600
Creed II*	Creed II Productions, LLC (MGM)	\$15,873,875	\$53,529,782	\$82,435,864	474	\$12,026,268
Seeking Solutions (2018/19)	Kelly Ryan Productions	\$299,021	\$1,196,085	\$1,251,307	11	\$268,718
Pittsburgh and Its Countryside		\$12,909,568	\$43,031,892	\$66,269,114	381	\$9,667,760
\$1*	Eye Productions, Inc. (CBS Studios, Inc.)	\$12,909,568	\$43,031,892	\$66,269,114	381	\$9,667,760
FY 2019-2020 STATE TOTAL		\$29,830,521	\$100,772,834	\$154,188,586	892	\$22,640,129
* Awarded Film Production Tax Credits in FY 2017-18, FY 2018-19, and FY 2019-20						
* Awarded Film Production Tax Credits in FY 2017-18 and FY 2019-20.						
Data shown is combined total for all fiscal years.						

Table 2b.
Film Production Tax Credit Certificates Awarded in FY 2019-2020 for Tax Credits From
FY 2018-19 Tax Credit Authorization

				ESTIMATED ECONOMIC IMPACT Totals Attributable to Production		
Region/Project Title	Entity Name	Total Tax Credit Award	Actual PA Production Expenses	Total Sales	Jobs (Annual FTE)	State & Local Taxes
Pennsylvania Wilds		\$167,000	\$692,336	\$1,066,197	6	\$155,544
TomBob Outdoors, Friends in Wild Places (Season 7)	TomBob Outdoors, LLC (Continuous Metal Technology, Inc.)	\$167,000	\$692,336	\$1,066,197	6	\$155,544
Philadelphia and The Countryside		\$13,011,497	\$83,298,231	\$128,279,276	737	\$18,714,197
17 Bridges	Seventeen Bridges, LLC (STX Productions, LLC)	\$8,999,890	\$31,816,948	\$48,998,100	282	\$7,148,155
Symphonic Revolution: China and the Future of Classical Music#	History Making Productions, LLC	\$211,607	\$846,935	\$1,304,280	7	\$190,277
QVC (7/1/2018 - 6/30/2019)	QVC, Inc.	\$3,800,000	\$50,634,348	\$77,976,896	448	\$11,375,766
Pittsburgh and Its Countryside		\$8,449,934	\$28,166,446	\$37,775,450	249	\$6,328,015
You Are My Friend (Mr. Rogers)#	TriStar Productions, Inc. (Sony Pictures Entertainment)	\$8,449,934	\$28,166,446	\$37,775,450	249	\$6,328,015
FY 2018-19 STATE TOTAL		\$21,628,431	\$112,157,013	\$167,120,923	993	\$25,197,755

Awarded Film Production Tax Credits in FY 2017-18 and FY 2018-19.
 Data shown is combined total for all fiscal years.

Table 2c
Film Production Tax Credit Certificates Awarded in FY 2019-2020 for Tax Credits From
FY 2017-18 Tax Credit Authorization

				ESTIMATED ECONOMIC IMPACT Totals Attributable to Production		
Region/Project Title	Entity Name	Total Tax Credit Award	Actual PA Production Expenses	Total Sales	Jobs (Annual FTE)	State & Local Taxes
Dutch Country Roads		\$32,362	\$178,636	\$275,099	2	\$40,133
Let's Eat (Pilot)	Glass Entertainment Group, LLC	\$32,362	\$178,636	\$275,099	2	\$40,133
Pennsylvania's Great Lakes Region		\$59,569	\$238,275	\$366,944	2	\$53,532
Uneath	Uneath Film, LLC	\$59,569	\$238,275	\$366,944	2	\$53,532
Philadelphia and The Countryside		\$7,138,767	\$57,525,220	\$88,588,839	509	\$12,923,904
Chats Deux	All Ages Productions, LLC	\$29,964	\$119,857	\$184,580	1	\$26,928
Miss Atkins Army	SMT Pictures, LLC	\$861,370	\$3,445,482	\$5,306,042	30	\$774,079
Pool Kings (Season 7)	Glass Entertainment Group, LLC	\$311,517	\$1,242,073	\$1,912,792	11	\$279,050
Pope: The Most Powerful Man in History	Glass Media Inc. (formerly Glass Entertainment, LLC)	\$645,909	\$3,531,544	\$5,438,578	31	\$793,414
QVC (9/1/2017 - 8/31/2018)	QVC, Inc.	\$4,000,000	\$42,496,381	\$65,444,427	376	\$9,547,449
Tanked (Season 7)	Tanked 7, LLC (Glass Entertainment Group, LLC)	\$1,148,648	\$5,807,707	\$8,943,869	51	\$1,304,788
The Birth of Planet Earth	Spitz, Inc.	\$99,438	\$714,491	\$1,100,316	6	\$160,521
The Honeymoon Phase	Aspire Motion Pictures, LLC	\$41,921	\$167,685	\$258,235	1	\$37,673
Pittsburgh and Its Countryside		\$10,393	\$41,570	\$64,018	0.4	\$9,339
The Whooper	Patio, LLC	\$10,393	\$41,570	\$64,018	0.4	\$9,339
FY 2017-18 STATE TOTAL		\$7,241,091	\$57,983,701	\$89,294,900	513	\$13,026,908

**Table 2d.
 Film Production Tax Credit Certificates Awarded in FY 2019-2020 for Tax Credits From
 FY 2016-17 Tax Credit Authorization**

				ESTIMATED ECONOMIC IMPACT Totals Attributable to Production		
Region/Project Title	Entity Name	Total Tax Credit Award	Actual PA Production Expenses	Total Sales	Jobs (Annual FTE)	State & Local Taxes
Pittsburgh and Its Countryside		\$8,547,529	\$28,491,762	\$43,877,313	252	\$6,401,102
Where'd You Go, Bernadette	Twenty Mile Productions, LLC (Annapurna Pictures)	\$8,547,529	\$28,491,762	\$43,877,313	252	\$6,401,102
FY 2016-17 STATE TOTAL		\$8,547,529	\$28,491,762	\$43,877,313	252	\$6,401,102

USE OF TAX CREDITS

Act 55 of 2007, as amended by Act 85 of 2012, Act 52 of 2013, Act 84 of 2016, and Act 13 of 2019 allows Film Production Tax Credits to be applied against the tax liability of the Pennsylvania personal income tax, corporate net income tax, capital stock and franchise tax, bank shares tax, and/or insurance premiums tax. Production companies have the option of applying the Film Production Tax Credits to any of these Pennsylvania taxes that 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 appropriate taxable year. Act 85 of 2012 authorized 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. Act 52 of 2013 provided similar carry-forward provisions for tax credits purchased or assigned in calendar years 2013 and 2014 but limits the carry forward to just the following year.

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 Credits in FY 2019-2020 By Fiscal Year of Tax Credit Authorization

Film production companies may sell or assign their tax credits to one or more entities. In FY 2019-2020, more than \$57 million in Film Production Tax Credits from 25 film productions were sold or transferred to another entity. No production companies opted to use the credit to reduce Pennsylvania state tax liability. *(Note: Four productions received tax credits from two or more fiscal year allocations of Film Production Tax Credits. The productions and applicable amount of tax credits are listed separately for each fiscal year a production received tax credits.)*

The following tables list the total dollar amount of tax credits sold or assigned to another entity or entities by each production company according to the fiscal year in which the tax credits were allocated. Please note: The tables list the **total** amount of Film Production Tax Credits used by each production company to offset its Pennsylvania state tax liability and/ or sold or assigned, not each sale/assignment.

Table 3a. Use of Issued Film Production Tax Credits in FY 2019-2020 FY 2019-2020 Tax Credit Authorization			
Project Name	Entity	Amount Used by FPTC Recipient	Amount Sold/ Transferred
\$1*	Eye Productions, Inc. (CBS Studios, Inc.)	\$0	\$701,659
Apollo 11	Steve Rotfeld Productions, Inc.	\$0	\$300,000
Creed II*	Creed II Productions, LLC (MGM)	\$0	\$904,467
Expedition Chesapeake, A Journey of Discovery+	Whitaker Center Productions, Inc.	\$0	\$181,778
TOTAL		\$0	\$2,087,904

* Awarded Film Production Tax Credits in FY 2017-18, FY 2018-19, and FY 2019-20

+ Awarded Film Production Tax Credits in FY 2017-18 and FY 2019-20.

Table 3b.
Use of Issued Film Production Tax Credits in FY 2019-2020
FY 2018-19 Tax Credit Authorization

Project Name	Entity	Amount Used by FPTC Recipient	Amount Sold/ Transferred
\$1*	Eye Productions, Inc. (CBS Studios, Inc.)	\$0	\$3,620,545
Creed II*	Creed II Productions, LLC (MGM)	\$0	\$7,000,000
Gone#	Open 4 Business Productions, LLC (NBCU International Studios)	\$0	\$2,304,246
TomBob Outdoors, Friends in Wild Places (Season 7)	TomBob Outdoors, LLC (Continuous Metal Technology, Inc.)	\$0	\$167,000
TOTAL		\$0	\$13,091,791
*Awarded Film Production Tax Credits in FY 2017-18, FY 2018-19, and FY 2019-20. #Awarded Film Production Tax Credits in FY 2016-17, FY 2017-18, and FY 2018-19.			

Table 3c.
Use of Issued Film Production Tax Credits in FY 2019-2020
FY 2017-18 Tax Credit Authorization

Project Name	Entity	Amount Used by FPTC Recipient	Amount Sold/ Transferred
\$1*	Eye Productions, Inc. (CBS Studios, Inc.)	\$0	\$8,000,000
Creed II*	Creed II Productions, LLC (MGM)	\$0	\$7,969,408
Desert Flippers (Season 2)	Glass Entertainment, LLC	\$0	\$296,847
Expedition Chesapeake, A Journey of Discovery+	Whitaker Center Productions, Inc.	\$0	\$168,027
Flowing Water	FreshFly	\$0	\$91,377
Gone (fka One Kick)#	Open 4 Business Productions, LLC (NBCU International Studios)	\$0	\$1,212,161
Greatest Holiday Commercials 2018	Juma Entertainment, LLC	\$0	\$177,954
K9 Undercover	All Ages Productions, LLC	\$0	\$75,712
Lawn and Order (Season 1)	Glass Entertainment Group, LLC	\$0	\$309,326
Miss Atkins Army	SMT Pictures, LLC	\$0	\$861,370
Pope: The Most Powerful Man in History	Glass Media, Inc. (formerly Glass Entertainment, LLC)	\$0	\$645,909
Reflections	Glass Entertainment Group, LLC	\$0	\$29,669
Shedim	Glass Entertainment, LLC	\$0	\$22,244
Tanked (Season 7)	Tanked 7, LLC (Glass Entertainment Group, LLC)	\$0	\$1,148,648
The Honeymoon Phase	Aspire Motion Pictures, LLC	\$0	\$41,921
The Noise	All Ages Productions, LLC	\$0	\$9,173
The Nomads	The Nomads Movie, LLC	\$0	\$341,868
Wyeth	FreshFly	\$0	\$67,637
Zippers: Proof of Concept	Crooked & Narrow Movie, LLC	\$0	\$5,002
TOTAL		\$0	\$21,474,253
*Awarded Film Production Tax Credits in FY 2017-18, FY 2018-19, and FY 2019-20. #Awarded Film Production Tax Credits in FY 2016-17, FY 2017-18, and FY 2018-19. +Awarded Film Production Tax Credits in FY 2017-18 and FY 2019-20.			

Table 3d.
Use of Issued Film Production Tax Credits in FY 2019-2020
FY 2016-17 Tax Credit Authorization

Project Name	Entity	Amount Used by FPTC Recipient	Amount Sold/ Transferred
Gone (fka One Kick)#	Open 4 Business Productions, LLC (NBCU International Studios)	\$0	\$6,500,801
Last Flag Flying	Last Flag Flying Productions, LLC (Big Indie Pictures)	\$0	\$4,305,146
Prepared For A Purpose	Topanga Productions, Inc. (Sony Pictures Television, Inc.)	\$0	\$1,021,956
Where'd You Go, Bernadette	Twenty Mile Productions, LLC (Annapurna Pictures)	\$0	\$8,547,529
Whisper	Whisper Film Co. (Nationlight Productions, LLC)	\$0	\$32,198
TOTAL		\$ 0	\$20,407,630
<i>#Awarded Film Production Tax Credits in FY 2016-17, FY 2017-18, and FY 2018-19.</i>			

Table 3f.
Summary Table: Use of Issued Film Production Tax Credits in FY 2019-2020
By Fiscal Year of Tax Credit Authorization

Fiscal Year	Total Number of Productions	Amount Used by FPTC Recipient	Amount Sold/ Transferred
FY 2016-17	5	\$0	\$20,407,630
FY 2017-18	19	\$0	\$21,474,253
FY 2018-19	4	\$0	\$13,091,791
FY 2019-2020	4	\$0	\$2,087,904
GRAND TOTAL	25	\$ 0	\$57,061,578

NOTE: Four productions received Film Production Tax Credits from two or more fiscal year tax credit allocations. While they are included in the count for each fiscal year the production received a tax credit, the figure shown for the Grand Total - Number of Productions is a discrete total to provide an unduplicated count of productions.