

Ulster County's Competitive Advantage for Film Businesses



Tax Credit	Applies to	Qualified Productions Include...	Qualified Costs Include...	Tax Credit Percent	Max Credit
<u>Film Production Tax Credit</u>	Productions filming a substantial portion of the project in NYS. Post-production costs may qualify toward the credit.	<ul style="list-style-type: none"> ✓ Feature films, ✓ Television series, ✓ Relocated television series, ✓ Television pilots, and ✓ Films for television. 	<ul style="list-style-type: none"> ✓ Construction, ✓ Crew, ✓ Camera equipment, ✓ Grip equipment, ✓ Props, ✓ Film editing, ✓ Sound design and effects, and ✓ Visual effects. 	<ul style="list-style-type: none"> • Fully refundable baseline credit of 30% on qualified costs incurred in NYS • Additional 10% credit on qualified below-the-line labor expenses in Upstate NY for productions with budgets \geq \$500,000 	Up to 40%
<u>Post Production Tax Credit</u>	Productions filmed outside NYS, but where NYS companies are contracted for post-production services. NOTE: for productions filmed in NYS, post-production costs may be eligible for the Film Production Tax Credit (see above)	<ul style="list-style-type: none"> ✓ Feature films, ✓ Television series, ✓ Relocated television series, ✓ Television pilots, and ✓ Films for television. 	<ul style="list-style-type: none"> ✓ Film editing, ✓ Sound design and effects, ✓ Visual effects, and ✓ Production costs for fully-animated productions, in certain cases. 	<ul style="list-style-type: none"> • Fully refundable baseline credit of 30% on qualified costs incurred in NYS • Additional 5% on post-production costs in Upstate NY • Additional 10% credit on qualified below-the-line labor expenses in Upstate NY for productions with budgets \geq \$500,000 	Up to 45%
<u>Commercial Credit</u>	Production of qualified commercials in NYS including radio, TV and motion pictures	<ul style="list-style-type: none"> ✓ Advertisements recorded on film, audiotape, videotape or digital medium in NYS; ✓ Advertisements for multi-market distribution by way of radio, television, or motion picture theaters. 	<ul style="list-style-type: none"> ✓ Technical and crew production, ✓ Expenditures for facilities, ✓ Props, ✓ Makeup, ✓ Wardrobe, ✓ Set construction, and ✓ Background talent. 	<ul style="list-style-type: none"> • 5% credit for qualified costs over \$100,000 in Upstate NY; Credits are distributed on a pro rata basis among applicants for the Upstate credit • Up to 20% of incremental growth in qualified costs from the prior year – up to \$300,000 	Up to 25%
<u>Sales Tax Exemption</u>	Film producers engaging in qualified film production activities in NYS.	<ul style="list-style-type: none"> ✓ Feature films; ✓ Television films; ✓ Commercials; ✓ Documentary films and shorts; ✓ Similar film and video productions 	<ul style="list-style-type: none"> ✓ Purchases of tangible personal property, services to property and utilities; ✓ Purchases related to pre-production, production, post-production and sale and distribution 	<ul style="list-style-type: none"> • Varies; 8% of purchase price in Ulster County 	8% of eligible purchases

This publication does not, and is not intended to, provide legal, tax or accounting advice, and readers should consult their tax advisors concerning the application of tax laws to their particular situations.