

California's Expanded Tax Credit Lures 13th Relocating TV Series

Amazon's "Sneaky Pete" Will Shift Production from New York to the Golden State

Hollywood, Calif, -- March 19, 2018 – California's expanded Film & TV Tax Credit Program 2.0 continues to lure television series from other locales and create long-term, high-wage jobs across the state.

The California Film Commission announced today that the Amazon Studios crime drama "Sneaky Pete" is relocating production for its third season from New York to California, where it will employ nearly 250 cast, 220 crew and 2,510 extras (including stand-ins measured in man-days). Approved conditionally for \$9.2 million in tax credits, the series plans to spend more than \$53 million in qualified expenditures (defined as the portion of total expenditures allocated for wages to below-the-line workers and payments to in-state vendors).

"Sneaky Pete" is the 13th TV series to relocate to California under the expanded tax credit program, and the third from New York (joining Showtime's "The Affair" and "The OA" on Netflix).

"Our success with these relocating projects shows how the tax credit is working to affirm California's status as the preferred choice for TV production," said California Film Commission Executive Director Amy Lemisch. "From the earliest days of TV, shows set in other locales have been filmed in California. We're excited to welcome another series from New York that will generate long-term employment and economic activity here at home."

"Sneaky Pete" was co-created by Bryan Cranston and stars Giovanni Ribisi. Its first two seasons were set in upstate New York, with much of the action also in and around New York City.

Over the years many TV series set in New York have been filmed in California. A few recent examples include "2 Broke Girls" (CBS), "Brooklyn Nine-Nine" (FOX), "CSI:NY" (CBS), "Castle" (ABC), "Gossip Girl" (The CW), "Good Girls Revolt" (Amazon), "Mad Men" (AMC), "The Mindy Project" (FOX / Hulu), "The Newsroom" (HBO) and "Will & Grace" (NBC).

"One of the many advantages to filming in California is our unique ability to match the look of just about any other locale – from New York City to other planets," Lemisch added. "No other production center has our diversity of locations, as well as weather, talent and infrastructure."

Due to Program 2.0's ongoing success drawing long-term TV projects, the latest TV application period (held February 12-16) was open only to relocating series and recurring series already accepted into the tax credit program. In addition to "Sneaky Pete," the program currently has 30 recurring TV series in various stages of production. To date, a total of 67 television projects, including new TV series, relocating TV series, pilots, MOWs and miniseries have been accepted into Program 2.0 since it launched in July 2015.

Below is a list of the TV series (in various stages of production) currently in the Program and eligible for tax credits. The list is subject to change, as series may withdraw and their reservation of tax credits roll over into the pool of funds for the next TV allocation period.

The next application period for TV projects (the first for fiscal year-four of Program 2.0) will be held May 21-25, 2018. The next round of feature film projects accepted into Program 2.0 is scheduled to be announced April 9, 2018.

How Projects are Selected and Awarded Tax Credits Under Program 2.0

Projects approved for California tax credits are selected based on their jobs ratio score, which ranks each project by wages to below-the-line workers, qualified spending for vendors, equipment, etc., and other criteria. The top 200% ranked projects in each round (i.e., those that would qualify if double the amount of funding was available for the current allocation round) are evaluated, and those with the highest-ranked jobs ratios receive tax credits. Those not selected are placed on the waiting list. The program allocates funding in "buckets" for different production categories, including non-independent feature films, independent films, TV projects and relocating TV series. This enables applicants to compete for credits directly against comparable projects. As has been the case since the state launched its first-generation tax credit program in 2009, the California Film Commission awards tax credits only after each selected project: 1) completes post-production, 2) verifies that in-state jobs were created, and 3) provides all required documentation, including audited cost reports.

About California's Film and Television Tax Credit Program 2.0

On September 18, 2014, Governor Brown signed bipartisan legislation to more than triple the size of California's film and television production incentive, from \$100 million to \$330 million annually. Aimed at retaining and attracting production jobs and economic activity across the state, the California Film and TV Tax Credit Program 2.0 also extends eligibility to include a range of project types (big-budget feature films, TV pilots and 1-hr TV series for any distribution outlet) that were excluded from the state's first-generation tax credit program.

Other key changes include replacing the prior lottery system with a "jobs ratio" ranking system that selects projects based on wages paid to below-the-line workers, qualified spending (for vendors, equipment, etc.) and other criteria. Program 2.0 also offers an additional five percent tax credit for non-independent projects that shoot outside the Los Angeles 30- mile zone or have qualified expenditures for visual effects or music scoring/track recording. The five-year Program went into effect on July 1, 2015 and is currently in its third fiscal year (2017/18).

More information about California's Film and Television Tax Credit Program 2.0, including application procedures, eligibility and guidelines, is at http://www.film.ca.gov/tax-credit/.

About the California Film Commission

The California Film Commission enhances California's status as the leader in motion picture, television and commercial production. It supports productions of all sizes and budgets, and focuses on activities that stimulate and preserve production jobs, spending and tax revenues in California. Services include administration of the state's Film & Television Tax Credit Program, permits for filming at state-owned

properties, an extensive digital location library, location assistance and a range of other production-related resources and assistance. More information is available at http://www.film.ca.gov.

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Contact: Erik Deutsch, ExcelPR Group (for the California Film Commission) (323) 851-2455 direct / (310) 597-9245 cell / erikd@excelpr.com

California Film and TV Tax Credit Program 2.0 Ongoing Program 2.0 TV Series – Various Stages of Production

Production Title	Production Type	Company Name
13 Reasons Why	Recurring TV	Paramount Television
Affair, The*	Recurring TV	Showtime
American Horror Story*	Recurring TV	Twentieth Century Fox Film Corporation
American Princess	Recurring TV	A+E Studios
Animal Kingdom	Recurring TV	Horizon Scripted Television, Inc
Ballers*	Recurring TV	HBO
Code Black	Recurring TV	ABC Studios
Crazy Ex-Girlfriend	Recurring TV	CBS Studios, Inc.
Famous in Love	Recurring TV	Horizon Scripted Television
Heathers	Recurring TV	Viacom International, Inc
Here and Now	Recurring TV	Weirdo Productions, LLC
I'm Dying Up Here	Recurring TV	Showtime
Law & Order True Crime - Menendez	Recurring TV	Universal Television, LLC
Legion*	Recurring TV	Minim Productions, LLC
Lucifer*	Recurring TV	WB Studio Enterprises
Mayans MC	Recurring TV	Fox21 Television Studios
OA, The*	Recurring TV	Lunar Mining, LLC
Orville, The	Recurring TV	Twentieth Century Fox Television
Rebel	Recurring TV	BET Productions II, Inc.
Rookie, The	Recurring TV	ABC Studios
S.W.A.T.	Recurring TV	Sony Pictures Entertainment
Sharp Objects	Recurring TV	HBO
Shooter	Recurring TV	Paramount Television
Sneaky Pete	Relocating TV	Amazon Studios, LLC
Snowfall	Recurring TV	Twentieth Century Fox Film Corporation
Strange Angel	Recurring TV	CBS Studios, Inc.
This is Us	Recurring TV	Twentieth Century Fox Film Corporation
Timeless*	Recurring TV	Sony Pictures Entertainment
Untitled Peacock Project	Recurring TV	Disney ABC Cable Group
Veep*	Recurring TV	Second in Command Productions, LLC
Westworld	Recurring TV	HBO

NOTES

- 1. The above list will likely be revised as applicants may withdraw from the program.
- Credit allocation will be issued to recurring TV series if / when they provide pick up orders for additional episodes or new seasons.
- "Recurring Series" is defined as a TV Series or Relocating TV Series (in its second or subsequent season in California) that has received a previous allocation of tax credits.
- 4. "Relocating TV Series" is a TV Series that filmed its most recent season outside California.
- 5. * TV Projects that were initially accepted as a Relocating TV Series.