



California's Film & TV Tax Credit Program 2.0 Wraps Five-Year Run with Selection of 12 Additional Feature Film Projects

*Mix of Studio and Indie Films Will Bring Significant Out-of-Zone Production;
Program 3.0 Launches July 1*

Hollywood, Calif. – June 29, 2020 – The California Film Commission today announced that 12 feature films have been selected for the final round of tax credits allocated under the state's Film & TV Tax Credit Program 2.0, which was launched in 2015 and will be followed by the next-generation Program 3.0.

The 12 projects (four independent, eight non-independent) are on track to generate nearly \$225 million in qualified spending, which is defined as below-the-line wages to California workers and payments to in-state vendors. Overall in-state spending by the projects will be significantly greater with the inclusion of above-the-line payments and other expenditures that do not qualify for tax credits under California's incentive program.

While most of the production activity will occur within the Los Angeles 30-Mile Studio Zone, four of the 12 projects ("Dead Dads Club," "Dog," "Little America" and "Pursuit") plan a significant amount production (65 filming days) in Kern, Orange, Riverside, San Bernardino and Ventura counties. California will double for a range of far-off locales including Iran (for "The Test"), Hong Kong (for "Little America") and Florida (for "Lady of the House"). In addition, a project that was set originally in the Pacific Northwest ("The Black Hole") was rewritten to take place in Los Angeles.

Extending production activity beyond the 30-Mile Zone has been a key objective for the expanded tax credit program. With the projects announced today, Program 2.0 has helped bring more than 50 out-of-zone film and television projects to regions across California, with an estimated total of \$145 million in qualified out-of-zone spending.

"Program 2.0 has accomplished precisely what it was designed to do, from creating high-wage jobs to encouraging more out-of-zone production," said California Film Commission Executive Director Colleen Bell. "As the industry begins to rebound from COVID-19, the launch of Program 3.0 will help continue to ensure that California provides an unparalleled value."

Ms. Bell noted that over its five-year duration, the expanded Program 2.0 has incentivized a total of 243 film and TV projects that have generated an estimated \$11 billion in overall spending across California, including \$4 billion in qualified wages to below-the-line workers and \$3.7 billion in payments to in-state vendors.

-more-

Based on data provided with each tax credit application, the 12 latest film projects will employ an estimated 1,745 crew, 543 cast and 14,668 background actors/stand-ins (the latter measured in “man days”) over a combined 444 filming days in California. They will also generate significant postproduction jobs and revenue for California VFX artists, sound editors, sound mixers, musicians and other workers/vendors. The projects represent a wide range of cast, crew and storylines.

“As a project with many trans and other gender non-confirming creative team members, cast and crew, it was essential for ‘Moonshadow’ production to be based in a progressive state,” said Executive Producer Jude Harris. “California’s tax credit program is making it possible for us to generate jobs and production spending here at home while working in a supportive environment.”

A total of 54 film projects applied for tax credits during the March 9 – 13 application period. The California Film Commission has reserved \$40.2 million in tax credit allocation for the 12 film projects selected. The allocation was originally set to be announced in April, but approvals were delayed due to COVID-19 and the resulting suspension in production activity.

The complete list of 12 conditionally approved projects is provided below (see “Program Year 5 – Allocation #6 Conditionally Approved Projects”). The list is subject to change, as applicants may withdraw from the program and their reservation of tax credits is reassigned to one or more projects currently on the waiting list.

California’s next-generation Film & TV Tax Credit Program 3.0 launches on July 1 with several new provisions, including a pilot skills training program to help individuals from underserved communities gain access to career opportunities. There are also provisions requiring projects to have a written policy for addressing unlawful harassment, and enhanced reporting of above and below-the-line cast and crew employment diversity data.

The application period for the first round of Program 3.0 TV projects was held June 22 – 24, with approved projects scheduled to be announced on July 20. The next application period for feature film tax credits will be held July 13 – 15, with approved projects scheduled to be announced on August 17.

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 films, independent films, TV projects and relocating TV series. This allocation system 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

In 2014, the legislature passed a bill that more than tripled 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 fifth and final fiscal year (2019/20).

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/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>.

###

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

-more-

Program Year 5 - Allocation # 6 Conditionally Approved Projects

	Production Title	Company Name	Production Type - Feature
1	Ashes to Oceans	eOne Features LLC	Non-Indie
2	Black Hole, The	New Regency Productions, Inc.	Indie
3	Dog	Collar & Leash, Ltd.	Indie
4	Dead Dads Club	NTCP USA, LLC	Indie
5	Half Baked 2	1440 Productions LLC (NBC Universal)	Non-Indie
6	Lady of the House	TCS US Productions 2, Inc. (Fox)	Non-Indie
7	Little America	Little America Financing & Distribution LLC	Indie
8	Live Feed	Universal City Studios LLC (NBC Universal)	Non-Indie
9	Moonshadow	NoFilter Filmco, LLC	Non-Indie
10	Pursuit	eOne Features LLC	Non-Indie
11	Test, The	eOne Features LLC	Non-Indie
12	Untitled Lucy and Desi Project	Amazon Studios, LLC	Non-Indie

California Film & TV Tax Credit Program 2.0

Out-of-Zone Films

Revised 06/29/20

Production Title	Feature Type	Out of LA Area Filming Days	Total Filming Days	Out of LA Area Counties
A Wrinkle in Time	Non-Indie	5	73	Humboldt
A Star is Born	Non-Indie	5	40	Riverside
Beautiful Boy	Non-Indie	10	41	Marin, San Francisco, Sonoma
Bird Box	Non-Indie	14	45	Del Norte, Santa Cruz
Bumblebee	Non-Indie	28	73	Inyo, Marin, Mono, San Francisco, Santa Cruz, Solano
Captain Marvel	Non-Indie	9	80	Fresno, Kern
CHiPs	Non-Indie	18	46	Orange County
Centurion The Dancing Stallion	Indie	20	20	Napa Valley, Solano Valley
Dead Dads Club *	Indie	32	32	San Bernardino
Destroyer	Indie	4	33	Ventura
Dog *	Indie	8	38	Kern, Riverside, San Bernardino
Ford v. Ferrari	Non-Indie	22	67	Kern, San Bernardino, Orange, Ventura, Los Angeles
Island Plaza	Non-Indie	21	73	Kings, Mammoth, San Diego
Janis	Indie	6	36	San Francisco
Lexi	Non-Indie	30	30	Alameda, San Francisco
Little America *	Indie	15	35	TBD
Magic Camp	Non-Indie	1	40	Orange
Palm Springs	Indie	9	25	Riverside
Pursuit *	Non-Indie	13	50	Orange County
Rim of the World	Indie	6	40	Ventura, Mono
Suburbicon	Indie	4	43	Orange
The Devil Has A Name	Indie	10	25	Kern
The Way Back	Non-Indie	14	38	San Bernardino
Twin Peaks	Indie	14	111	Riverside
Unbroken - Path to Redemption	Non-Indie	2	20	Oxnard
Untitled Wonderland Project	Indie	24	30	Ventura, San Bernardino, Riverside, Kern, San Diego, Orange
Us	Non-Indie	14	40	San Bernardino, Santa Cruz
Vice	Indie	5	56	Ventura

* Selected for the latest tax credit allocation.