



California Welcomes A-List Filmmakers with Selection of 22 New Features for State's Film & TV Tax Credit Program

Latest Round of Tax Credits Includes Projects from Bateman, Coen Brothers, Longoria, Soderbergh and Witherspoon; Nearly Half of Projects Plan Significant Out-of-Zone Production

Hollywood, Calif. – March 1, 2021 – The California Film Commission today announced that 22 feature films have been selected for the latest round of tax credits under the state's Film & TV Tax Credit Program. They include 11 independent and 11 non-independent film projects representing a wide range of budgets, genres and locations. Consistent with the Program's goal of bringing production jobs and spending to regions across California, more than half the projects plan significant production outside the Los Angeles 30-Mile Studio Zone (TMZ).

The list includes projects from some of the industry's most prominent filmmakers, including Jason Bateman (Producer/Director, "Here Comes the Flood"), Joel and Ethan Coen (Writers, "Scarface"), Eva Longoria (Director, "Flamin Hot"), Steven Soderbergh (Director, "Kimi") and Reese Witherspoon (Producer, "Ashley's War").

"We're excited to welcome so many projects -- from big-budget studio films to low-budget indies, and everything in between," said California Film Commission Executive Director Colleen Bell. "The tax credit projects announced today are on track to generate thousands of high-wage jobs and an estimated \$642 million in overall in-state spending, with more than \$430 million going to below-the-line workers and in-state vendors."

Based on data provided with each tax credit application, the 22 projects will generate more than \$430 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 wages and other in-state expenditures that do not qualify for incentives under California's very targeted tax credit program. Nine of the 11 independent projects were accepted into the tax credit program's recently added \$10 million-and-under qualified spending category, which reserves credits specifically for lower-budget independent films. The largest among these (with \$9.95 million in qualified spending) is the Sammy Davis Jr. romance drama "Scandalous!" starring Jeremy Pope.

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Taken together, the 22 projects announced today will employ an estimated 2,546 crew, 695 cast and 26,137 background actors/stand-ins (the latter measured in “man-days”) over a combined 718 filming days in California. They will also generate significant post-production jobs and revenue for California VFX artists, sound editors, sound mixers, musicians and other workers/vendors.

Production spending and employment will be spread across multiple counties, as 16 of the 22 projects plan a total of 304 filming days outside the TMZ, accounting for nearly 42 percent of filming days (see “Program Year 1 – Allocation # 4 Out-of-Zone Filming” chart below). With the projects announced today, California’s tax credit program has incentivized more than 60 out-of-zone film and TV projects.

A total of 61 applications were received during the January 25 – February 1 feature film tax credit application period. The California Film Commission has reserved more than \$86.9 million in tax credit allocation for the 22 conditionally approved projects (see “Program Year 1 – Allocation #4 Conditionally Approved Projects” list below). The list of approved projects is subject to change, as applicants may withdraw from the tax credit program and their reservation of credits is reassigned to one or more projects currently on the waiting list.

The next application period for feature films will be held in July (specific dates TBD), while the next application period for recurring and relocating TV series will be held March 8 – 15.

About California’s Film and Television Tax Credit Program

In 2014, the California legislature passed a bill that more than tripled the size of the state’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 extended 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. Program 2.0 also introduced a “jobs ratio” ranking system to select projects based on “qualified” spending (e.g., wages paid to below-the-line workers and payments made to in-state vendors). To spur production statewide, an additional five percent tax credit was made available to non-independent projects that shoot outside the Los Angeles 30-Mile Studio Zone or that have qualified expenditures for visual effects or music scoring/track recording. The five-year Program 2.0 went into effect on July 1, 2015 and wrapped its fifth and final fiscal year (2019/20) on June 30, 2020.

The third generation of the California Film and TV Tax Credit Program (dubbed “Program 3.0”) was launched on July 1, 2020. New provisions include a pilot skills training program to help individuals from underserved communities gain access to career opportunities. Program 3.0 also adds 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.

More information about California’s Film and Television Tax Credit Program 3.0, including application procedures, eligibility and guidelines, is at <http://www.film.ca.gov/tax-credit/>.

How Projects are Selected and Awarded Tax Credits Under Program 3.0

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 ratio scores receive a tax credit reservation. Those not selected are placed on the waiting list. The tax credit 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 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>.

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California Film & TV Tax Credit Program 3.0

Program Year 1 - Allocation # 4 Conditionally Approved Projects

	Production Title	Company Name	Feature Type
1	<i>Alaska</i>	Alaska the Film, LLC	Indie ≤ \$10m
2	<i>All Fall Down</i>	The Squid Farm, LLC	Indie ≤ \$10m
3	<i>Ashley's War</i>	Universal City Studios LLC	Non-Indie
4	<i>Flamin Hot</i>	TCS US Productions 3, Inc.	Non-Indie
5	<i>Gold Line</i>	Gold Line LLC	Indie ≤ \$10m
6	<i>Here Comes the Flood</i>	Netflix Productions, LLC	Non-Indie
7	<i>Hollywood Stargirl</i>	News118 Productions, Inc.	Non-Indie
8	<i>Huntsman</i>	The Squid Farm, LLC	Indie ≤ \$10m
9	<i>Infamy</i>	The Squid Farm, LLC	Indie ≤ \$10m
10	<i>Kimi</i>	Rose City Pictures, Inc.	Non-Indie
11	<i>Leave Me Alone</i>	New Line Productions, Inc.	Non-Indie
12	<i>Me Time</i>	Netflix Productions, LLC	Non-Indie
13	<i>Men at Work</i>	MRC II Holdings, L.P.	Indie > \$10m
14	<i>Merry Effing Christmas</i>	MRC II Holdings, L.P.	Indie > \$10m
15	<i>Passenger 58</i>	Warner Specialty Productions Inc.	Non-Indie
16	<i>Purple Hearts</i>	Guys With Books Entertainment Co.	Non-Indie
17	<i>Scandalous!</i>	Sneak Preview Productions, Inc	Indie ≤ \$10m
18	<i>Scarface</i>	Universal City Studios LLC	Non-Indie
19	<i>Standby</i>	Squid Farm, LLC	Indie ≤ \$10m
20	<i>The Prank</i>	Sneak Preview Productions, Inc	Indie ≤ \$10m
21	<i>Untitled JJR Project</i>	Ghost Tree Films, LLC	Indie ≤ \$10m
22	<i>Untitled Live Action Project</i>	Universal City Studios LLC	Non-Indie

Program Year 1 - Allocation # 4 Out-of-Zone Filming

Production Title (Feature Type)	Out of LA Area Filming Days	Total Filming Days	Out of LA Area Counties
<i>Alaska</i> (Indie ≤ \$10m)	8	20	Pomona, Upland Palm Springs
<i>All Fall Down</i> (Indie ≤ \$10m)	25	25	Fresno
<i>Ashley's War</i> (Non-Indie)	30	54	TBD
<i>Flamin Hot</i> (Non-Indie)	16	35	San Bernardino
<i>Gold Line</i> (Indie ≤ \$10m)	25	25	Riverside
<i>Hollywood Stargirl</i> (Non-Indie)	24	35	Orange, Ventura
<i>Huntsman</i> (Indie ≤ \$10m)	25	25	Siskiyou County
<i>Infamy</i> (Indie ≤ \$10m)	17	17	San Bernardino
<i>Kimi</i> (Non-Indie)	3	35	TBD
<i>Leave Me Alone</i> (Non-Indie)	20	33	TBD
<i>Purple Hearts</i> (Non-Indie)	30	30	Riverside, San Diego
<i>Scandalous!</i> (Indie ≤ \$10m)	18	25	San Bernardino, Orange
<i>Scarface</i> (Non-Indie)	18	59	TBD
<i>Standby</i> (Indie ≤ \$10m)	10	15	Orange, Ventura
<i>The Prank</i> (Indie ≤ \$10m)	10	25	Ventura, Orange, San Bernardino
<i>Untitled JJR Project</i> (Indie ≤ \$10m)	25	25	Northern California