

MAINE STATE LEGISLATURE

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STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



PAUL R. LEPAGE
GOVERNOR

GEORGE C. GERVAIS
COMMISSIONER

January 15, 2018

To: Senator Dow, Representative Tipping
Members of the Joint Standing Committee on Taxation

From: Maine Film Office

Report: §13090-L Visual Media Production Certification, Sub-§ 7.

The Maine Film Office is part of the Maine Office of Tourism within the Department of Economic and Community Development. The program is administered by Karen Carberry Warhola, the Director of the Film Office.

THE REPORT'S KEY FINDINGS

- In 2017, three productions qualified for the Maine Attraction Film Incentive Plan.
- Those three productions had an anticipated direct spend in Maine of \$2,744,681.
- Tax rebates for certified production wages paid to the productions in 2017 totaled \$83,903 and the tax credits issued in 2017 for qualified production expenses totaled \$1,198.
- The return on investment (ROI) for the program in 2017 was \$32.25 for every \$1.00 of investment in the program.

If you have any questions relating to this report, please contact Douglas Ray at 624-9820.

In 2017, three productions qualified for the Maine Attraction Film Incentive Plan. The anticipated direct spend in Maine of the productions in this program during 2017 is over \$2.7M.

The ROI for the program in 2017 was \$32.25 for every \$1.00 of investment in the program.

Maine Attraction Film Incentive Plan 2017 Annual Report

January 15, 2018

Carberry Warhola, Karen

MAINE FILM OFFICE

Karen Carberry Warhola
Director, Maine Film Office

January 15, 2018

To: Senator Dana L. Dow, Chair
Representative Ryan Tipping, Chair
Joint Standing Committee on Taxation

From: Karen Carberry Warhola
Director, Maine Film Office

This is the Maine Film Office's 2017 annual report of the Maine Attraction Film Incentive Plan.

§13090-L. Visual media production certification

<http://www.mainelegislature.org/legis/statutes/5/title5sec13090-L.html>

7. Report. The Maine State Film Office shall submit a report by January 15th annually to the joint standing committee of the Legislature having jurisdiction over taxation matters regarding the certification and reporting process pursuant to this section and the visual media production tax credit and reimbursement activities pursuant to Title 36, section 5219-Y and Title 36, chapter 919-A. The report must include a description of any rule-making activity related to the implementation of the credit and reimbursement activities, outreach efforts to visual media production companies, the number of applications for the visual media production credit and tax reimbursement, the number of credits and reimbursements granted, the revenue loss associated with the credit and reimbursement and the amount of visual media production expenses generated in the State as a result of the credit and reimbursement.

[2009, c. 470, §1 (NEW) .]

In accordance with Maine's statutory requirements, this report provides: a description of any rulemaking activity related to the implementation of the credit and reimbursement activities; outreach efforts to visual media production companies; the number of applications for the visual media production credit and tax reimbursement; the number of credits and reimbursements granted; the revenue loss associated with the credit and reimbursement; and the amount of visual media production expenses generated in the state as a result of the credit and reimbursement.

The Department relied on data provided by the production companies and Maine Revenue Services.

THE REPORT'S KEY FINDINGS

In 2017, three productions qualified for the Maine Attraction Film Incentive Plan.

Those three productions had an anticipated direct spend in Maine of \$2,744,681.

Tax rebates paid to productions in for certified production wages in 2017 totaled \$83,903 and the tax credits issued in 2017 for qualified production expenses totaled \$1,198.

The Return on Investment (ROI) for the program in 2017 was \$32.25 for every \$1.00 of investment in the program.

PROGRAM INFORMATION

Description of any rulemaking activity related to the implementation of the credit and reimbursement activities:

There was no rule making activity related to the implementation of the credit and reimbursement activities.

Outreach efforts to visual media production companies:

Outreach efforts to visual media productions include contact with productions in the United States, Canada, Australia, Italy, United Kingdom, and France. The types of productions the Maine Film Office had contact with include the following categories:

- Feature, scripted narrative
- Feature, documentary film
- Feature, short film
- TV Miniseries / Major Cable network

- TV Special / Major Cable network
- TV Series / Major Cable network
- TV Series Episodes / Major Cable network TV Series
- TV Special Documentary / Major Cable network TV Series
- TV Series Audition
- TV Pilot / Major Cable network
- National Commercial
- Web Series
- Web Content
- Student Film
- Student News Story
- Photo Shoot
- Institutional

The types of companies and filmmakers the Maine Film Office had contact with include:

- Major Film Studios
- Major TV Broadcast Networks
- Major Cable Broadcast Networks
- National Advertising Agencies
- Productions Companies
- Post Production Facilities
- Animation Company
- Photography Studios
- Advertising Agencies
- Casting Agencies
- Payroll Companies
- Executive Producers
- Producers
- Line Producers
- Directors
- Production Managers
- Location Managers
- Location Scouts
- Talent Managers
- Talent Scouts

- Still Photographers
- Professional Industry Organizations (i.e. The Location Managers Guild)
- Film Festival Executives and Organizers
- University Film and New Media Departments
- TV Stations
- Radio Stations
- Magazines
- Newspapers
- Authors

The number of applications for the visual media production credit and tax reimbursement and the number of credits and reimbursements granted:

In 2017, three productions applied for and were certificated as qualified for the Maine Attraction Film Incentive Plan.

The revenue loss associated with the credit and reimbursement:

Tax rebates for certified production wages paid out to the productions in 2017 totaled \$83,903. Under the plan, tax credits issued for qualified production expenses in 2017 totaled \$1,198.

The amount of visual media production expenses generated in the state as a result of the credit and reimbursement:

In 2017, three productions qualified for the Maine Attraction Film Incentive Plan. Those three productions had an anticipated direct spend in Maine of \$2,744,681.