

CALIFORNIA



Film Commission

Tax Credits Bring More Big-Budget Films Back to California

Latest Round of Projects Will Spend an Estimated \$1.17 Billion in the Golden State, Including \$774 Million in 'Qualified' Spending for Below-the-Line Workers and In-State Vendors; Two-Thirds of Projects Plan Significant Out-of-Zone Filming to Bring Production Statewide

Hollywood, Calif. – February 28, 2022 – The California Film Commission today announced the latest round of film projects for the state’s Film & TV Tax Credit Program, affirming the Program’s effectiveness in achieving three of its key goals: bringing more big-budget films back to California, spreading production activity across the state, and ensuring incentives are available to independent projects with a range of budgets.

In all, 30 film projects (19 independent, 11 non-independent) were selected for the latest round of tax credits. Based on data provided with each tax credit application, they will bring an estimated \$1.17 billion in combined production spending to California, including \$774 million in “qualified” spending (defined as wages to below-the-line workers and payments to in-state vendors). Only the qualified portion of each project’s budget is eligible for tax credits under California’s uniquely targeted incentive program.

The projects announced today include four big-budget films* -- “Atlas,” “Beverly Hills Cop 4,” “Unfrosted” and Untitled Amazon Studios Movie -- which alone will spend an estimated \$553 million in California, including \$439.2 million in qualified spending.

“Filmmakers want to work here in the Golden State and understand that chasing the highest incentive doesn’t ensure the best value,” said California Film Commission Executive Director Colleen Bell. “We’re leveling the playing field for the types of big-budget films targeted so aggressively by jurisdictions with more sweeping incentive programs.”

Jerry Seinfeld, writer/director/star of “Unfrosted” added, “We are so happy to get the California tax credit which enables us to make our whole movie there. Having made all of the ‘Seinfeld’ series in LA, I very much wanted to come back and shoot there again. On behalf of everyone working on the movie, we really appreciate the great welcome.” The project will generate an estimated \$69.4 million in qualified spending.

The 30 projects announced today will employ an estimated 4,564 crew, 1,212 cast and 48,646 background actors/stand-ins (the latter measured in “man-days”). They will also generate significant post-production jobs and revenue for California VFX artists, sound editors, sound mixers, musicians and other workers/vendors.

“I’m so excited that our film has been awarded the California tax credit,” said Jennifer Garner of “Family Leave,” which will generate \$47.2 million in qualified spending. “As an actor, producer and mother, it’s impossible to overstate what shooting locally means to me and other families in this industry. I’ve been lucky to work with some of the greatest crew members of my career here in California, and I’m looking forward to reconnecting with some of my home team friends on this project.”

The 30 tax credit projects will account for a combined 1,095 filming days in California, with 327 of those days (nearly 30 percent) planned outside the Los Angeles 30-Mile Studio Zone (see “Fiscal Year 2 – Allocation # 4 Conditionally Approved Projects: Out of Zone Filming” chart below). This figure represents the highest number of out-of-zone filming days for any round of projects in the history of California’s tax credit program, and it continues the long-term trend of bringing more production activity statewide. Filming is planned to occur in 16 different counties across the state – from San Diego to Humboldt and Marin to Kern. Out-of-zone days for the latest round are led by “The Long Walk” (with all 40 days of its filming outside the zone) and “Dope Little Creatures” (with all 33 of its filming days outside the zone).

“Our tax credit program continues to bring jobs and opportunity statewide,” added Bell. “The current round of projects will directly impact more regions of the state than any round in the program’s history, and that’s a terrific milestone.”

The California Film Commission received a total of 76 applications during the January 24 – 31 feature film tax credit application period. It has reserved \$149.2 million in tax credit allocation for the 30 conditionally approved projects (see “Fiscal Year 2 – Allocation #4 Conditionally Approved Projects” chart 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 on the waitlist.

The next application period for feature films will be held July 18 – 25. The next application period for recurring and relocating TV series will be held March 7-14.

* “Beverly Hills Cop 4” was accepted into a prior tax credit allocation and reapplied for the current round of film credits.

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, can be found at <http://www.film.ca.gov/tax-credit/>.

Recent Changes to Program 3.0 Following Passage of Senate Bill 144

Signed into law by Governor Gavin Newsom on July 21, SB 144 has several key provisions including an additional \$15 million per year (for two years) increase in tax credits reserved specifically for relocating TV series, bringing total annual funding for relocating series to \$71.1 million (up from \$56.1 million). In addition, the criteria to qualify as a relocating TV series has been relaxed to include series that filmed their pilot episode out-of-state (the tax credit program previously required relocating series to film an entire season out-of-state).

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See Charts on Following Pages

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Fiscal Year 2 - Allocation # 4 Conditionally Approved Projects

	Production Title	Company Name	Feature Type
1	<i>3 Joaquins</i>	Arcadia Pictures, Inc.	Non-Indie
2	<i>80 For Brady</i>	80 for Brady Productions	Indie Film > \$10m
3	<i>Anemone*</i>	AFI Media Holdings Inc	Indie Film ≤ \$10m & Under
4	<i>Atlas</i>	Netflix Productions, LLC	Non-Indie
5	<i>Beverly Hills Cop 4*</i>	Netflix Productions, LLC	Non-Indie
6	<i>Dope Little Creatures</i>	Carbin Pictures LLC	Indie Film ≤ \$10m & Under
7	<i>Dust</i>	TCS US Productions 19, Inc.	Non-Indie
8	<i>Earth Mama</i>	Net-Net Worldwide LLC	Indie Film ≤ \$10m & Under
9	<i>Family Leave</i>	About It Productions, LLC	Non-Indie
10	<i>Greatest Hits</i>	TCS US Productions 18, Inc.	Non-Indie
11	<i>Home</i>	JB CA Film 2 LLC	Indie Film > \$10m
12	<i>If I Had Legs I'd Kick You</i>	Net-Net Worldwide LLC	Indie Film ≤ \$10m & Under
13	<i>Incoming</i>	Incoming Production LLC	Indie Film ≤ \$10m & Under
14	<i>Lush Life</i>	Strato Films	Indie Film ≤ \$10m & Under
15	<i>Mina Harker</i>	JB CA Film 1 LLC	Indie Film > \$10m
16	<i>Photos of You</i>	MRC II Holdings, L.P.	Indie Film > \$10m
17	<i>Raised Eyebrows</i>	Raised Eyebrow Productions, LLC	Indie Film ≤ \$10m & Under
18	<i>Salinas</i>	Hunting Lane	Indie Film ≤ \$10m & Under
19	<i>Scandalous*</i>	MRC II Holdings, L.P.	Indie Film ≤ \$10m & Under
20	<i>The Long Walk*</i>	New Line Productions, Inc.	Non-Indie
21	<i>Thirsty*</i>	The Assistants Film Production, LLC	Indie Film ≤ \$10m & Under
22	<i>Training Day: Day of the Riot</i>	WB Studio Enterprises, Inc.	Non-Indie
23	<i>Transplant</i>	Significant Productions	Indie Film ≤ \$10m & Under
24	<i>Unfrosted</i>	Netflix Productions, LLC	Non-Indie
25	<i>Unintended Accidental Get Away Driver</i>	KFilms AGAD, LLC	Indie Film ≤ \$10m & Under
26	<i>Untitled Amazon Studios Movie</i>	Amazon Studios, LLC	Non-Indie
27	<i>Untitled CG Project</i>	New Regency Productions, Inc.	Indie Film > \$10m
28	<i>Untitled Original Disney Musical</i>	Flashback Productions, Inc.	Non-Indie
29	<i>Verona Spies*</i>	ARCI	Indie Film ≤ \$10m & Under
30	<i>Untitled Vernon Chatman Project</i>	pg County, LLC	Indie Film > \$10m

* Project previously accepted into a prior tax credit allocation and reapplied for the current round of film credits.

California Film & TV Tax Credit Program 3.0
Fiscal Year 2 - Allocation # 4 Conditionally Approved Projects

Out of Zone Filming

Production Title	Feature Type	Out of LA Area Filming Days	Total CA Filming Days	Out of LA Area Counties
<i>3 Joaquins</i>	Non-Indie	15	50	Riverside, Ventura
<i>Anemome</i>	Indie Film ≤ \$10m & Under	20	20	Riverside
<i>Atlas</i>	Non-Indie	7	55	Ventura, Kern, Orange
<i>Beverly Hills Cop 4</i>	Non-Indie	6	58	San Bernardino
<i>Dope Little Creatures</i>	Indie Film ≤ \$10m & Under	33	33	Santa Clara
<i>Dust</i>	Non-Indie	7	33	Kern, Kings
<i>Earth Mama</i>	Indie Film ≤ \$10m & Under	30	30	Alameda, Solano, Marin, Contra Costa
<i>Greatest Hits</i>	Non-Indie	4	35	San Bernardino
<i>If I Had Legs I'd Kick You</i>	Indie Film ≤ \$10m & Under	30	30	San Diego
<i>Incoming</i>	Indie Film ≤ \$10m & Under	5	23	Moorpark, Newbury Park
<i>Photos of You</i>	Indie Film > \$10m	3	40	San Bernardino
<i>Salinas</i>	Indie Film ≤ \$10m & Under	23	23	Salinas
<i>Scandalous</i>	Indie Film ≤ \$10m & Under	24	27	San Bernardino
<i>The Long Walk</i>	Non-Indie	40	40	Humboldt
<i>Thirsty</i>	Indie Film ≤ \$10m & Under	5	25	Orange
<i>Training Day: Day of the Riot</i>	Non-Indie	10	47	Riverside, San Bernardino, Orange, Ventura
<i>Transplant</i>	Indie Film ≤ \$10m & Under	10	24	Ventura
<i>Unfrosted</i>	Non-Indie	5	50	Orange
<i>Unintended Accidental Get Away Driver</i>	Indie Film ≤ \$10m & Under	20	20	Orange
<i>Untitled Original Disney Musical</i>	Non-Indie	15	43	Ventura, Kern
<i>Verona Spies</i>	Indie Film ≤ \$10m & Under	15	26	Orange