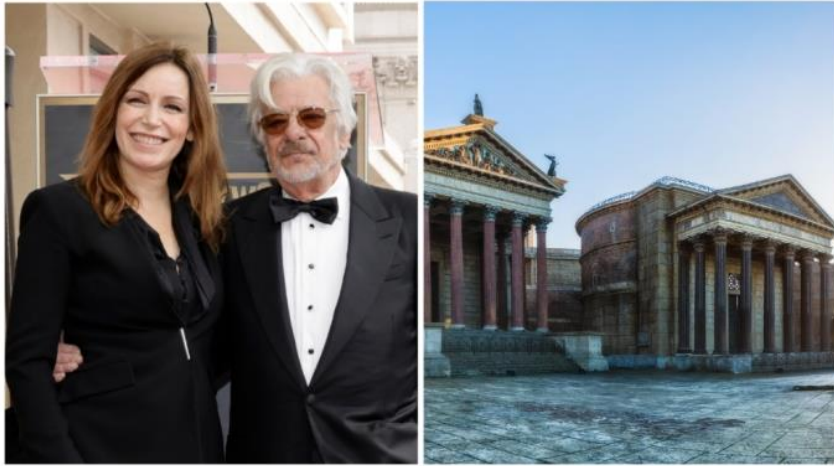


Back From Hollywood Visit, Italian Deputy Culture Minister Vows That Italy’s Robust Tax Rebates for Film and TV Production Remain Firmly in Place

By Nick Vivarelli



Getty/Cinecittà

Italy’s 40% tax rebates for international film and TV series are a magnet that has been crucial to luring lots of shoots to the country. These incentives are behind the current contemporaneous presence on the Cinecittà Studios lot of Oscar-winner Edward Berger’s new film “Conclave,” Netflix period soap “Decameron,” and Roland Emmerich’s Peacock gladiator series “Those About to Die,” to name a few examples.

That’s why Italian Deputy Culture Minister Lucia Bergonzoni on Oscar week travelled to Los Angeles to meet with Hollywood studio and streamer chiefs. Her mission: to dispel fears swirling in the global film community ever since Italy’s new right-wing government was installed in October 2022 regarding the prospect that the Italian rebates could be pulled or in some way watered down.

In L.A. Bergonzoni met with top execs from Warner Bros. Discovery, Disney, Paramount, Sony, Amazon and Apple. She also attended the ceremony during which Italian actor Giancarlo Giannini was honored with a star on the Hollywood Walk of Fame. Upon returning to Rome, the top government official in charge of Italy’s film policy spoke to *Variety* about the message she conveyed to Hollywood and how she sees the prospects for luring more international shoots to Italy going forward.

What prompted you to go to L.A. and meet with Hollywood’s head honchos?

The idea was to explain how Italy’s incentives situation is stabilized today and what the future initiatives are that the government intends to take. Especially because there were rumors going around about possible cuts to the international tax rebate, or even that it was going to be eliminated outright. I thought it was important to dispel these rumors and explain what the government is doing in person.

Italy’s robust tax rebate for international productions was raised to 40% during the pandemic. I think one fear was that, once that emergency subsided, it would be lowered. Will this not happen?

It will stay at 40%. And I strongly believe that the total sum allocated for the rebate should grow from the current €750 million (\$790 million) amount which is firmly in place, as it has been in recent years. I hope to be able raise this amount next year. I wanted to raise it this year. But for various reasons, including the war in Ukraine which prompted emergency government relief measure in other sectors, I was unable to do this. But I believe the tax rebate is a great tool. It's an economic multiplier. International productions that come to Italy are a huge driver for employment. The benefits go beyond the film sector and also impact our tourism industry. So forging a tighter rapport between Italy and the studios is a positive in more ways than one.

Then there are Italy's regional funds, of course.

Exactly. What we are trying to do to make Italy even more attractive is create a regional fund network. During my visit to Los Angeles I realized that the studios are not fully aware of these funds, which instead are crucial. So we have to provide a clear map of the regional funds and the application process.

How is the Cinecittà revamp going? The studios are fully booked. Will more soundstages be built?

A €300 million (\$316 million) investment is being made on Cinecittà with European Recovery Plan funds. The basic idea is not just to upgrade existing soundstages and other facilities but also to extend the lot and build new facilities. The deadline to do this is 2026 and we are on track. The other big investment being made is on training.

Talk to me about that aspect

In meeting with the studios, everyone praised Italian below-the-line talents and crews. The Centro Sperimentale [film school] and Cinecittà have allocated €9 million (\$9.4 million) for a production-skills training program that includes high-tech training for VR alongside traditional training for crews, craftsmen and costume makers. Since they have a great reputation, we have to make sure these skills are passed on to the next generation.

The streamers are expected to cut production spend. What are the prospects for Hollywood productions in Italy going forward?

I think the probable contraction in investments by the streamers will be counterbalanced by other international productions coming. What I perceived, and this reassured me, is that Hollywood productions really want to shoot in Italy. The only thing they were worried about is whether the Italian [rebate] system would stay intact or if it was going to change. And it's not. They told me that between spending time on an Italian shoot and making a movie somewhere else, they prefer Italy. So I think Italy will feel the contraction less than other countries.