

California's Film and TV Tax Credit 3.0 Tabled Till 2023



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Hollywood creatives hoping for an extension of California's Film & TV Tax Credit program will have to wait a bit longer.

State Sen. Anthony Portantino, who authored a bill to extend the credits until 2030, **said** the state Legislature will not consider SB485 until next year. The current credits are set to expire in 2025.

The move is intended to give lawmakers more time to add amendments, including one that would require cast and crew hired on participating productions to reflect state demographics.

In July 2021, the state passed **SB 144**, which added \$330 million in addition to the **\$330 million** in annual subsidies that was passed in 2014. It targeted increasing local film infrastructure by dedicating \$150 million to productions filming on Los Angeles County soundstages.

Streamers have seen big benefits from the program—Netflix was **awarded** \$60 million in credits and Amazon earned \$16 million this year. Multiple products, including “The Flight Attendant” and “**Rap Sh!t**,” have **relocated to California** as the state government continues to try and increase local production. SB 144 tucked in \$90 million just to lure productions away from other states. As California tries to entice productions to film in the state, other states also use incentives to bring in business. Georgia has **no annual cap** on its film tax incentive program, while New York offers **\$420 million annually** in tax incentives.

But the overturning of Roe v. Wade has led to increased scrutiny over how studios and streamers protect their employees. Hundreds of **Hollywood creatives**—including Shonda Rimes, J.J. Abrams and Issa Rae—have demanded studios explain how they will protect workers in states that have outlawed abortions.

Gov. Gavin Newsom released a **statement** earlier this month telling studios it was “time to choose” between filming in states that don't protect abortion rights and those, like California, that do. Entertainment-related unions have made similar statements. The California Film Commission's executive director **stated** that “California offers the best value and the best values.”

According to **FilmLA**, production in Los Angeles has surpassed pre-pandemic levels and TV filming is increased (when compared to a five year average). The nonprofit organization also noted that 9% of the features and 20% of TV shows shot in the area benefited from the tax program.—
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