

STATE-BY-STATE TAX INCENTIVES FOR THE FILM INDUSTRY HB 584

The following list is organized from most effective state film incentive program to least effective film incentive program. The ranking was compiled by the Montana Film Office and is based upon the aggressiveness of the incentive package offered by each state, as well as how it is marketed and how well received it is by the film industry. Montana is listed twice, once with the proposed incentive plan (HB 584), and once without the incentive program.

Thirty-two states offer a sale tax rebate for the film industry or do not have a sales tax to begin with. Montana's lack of sales tax is an incentive to the film industry, but one that simply levels the playing field as opposed to being an incentive that would draw filmmakers here over another locale.

The states that combine a sales tax rebate with an expenditure/labor tax credit or rebate have had the greatest success in bringing the film industry to their states. The states of New Mexico, Louisiana, Illinois, and Pennsylvania have had the greatest success. Missouri, Mississippi, Florida, South Carolina, and New York have all just recently enacted their programs, and have already seen interest develop from the film industry.

Utah, Hawaii, and Maryland, as well as Montana, have bill in front of their legislatures this year.

	STATE	Sales Tax Exemption for the film industry, or no sales tax at all	Lodging Tax Exemption for the film industry, or no lodging tax at all	ADDITIONAL INCENTIVES
1	Louisiana	•	•	10% or 20%(if payroll exceeds \$1 million) resalable tax credit for Louisiana resident labor expenditures and 10% or 15%(if investment exceeds \$8 million) re-saleable tax credit for investors if investment is spent in Louisiana.
2	New Mexico	•	•	15% refundable tax credit for in state production expenditures, and the state will guarantee loans up to \$7.5 million
3	Missouri		•	50% tax credit on expenditures up to a maximum of \$1,000,000. per project
4	Pennsylvania	•		20% transferable tax credit for in-state production expenditures
5	Montana (With incentive program)	•	•	Potential 15% refundable tax credit on Montana labor expenditures and potential 10% refundable tax credit on certain qualified production expenditures.
6	Mississippi	•	•	10% tax credit for Mississippi resident labor expenditures and 10% tax credit for in-state production expenditures
7	Florida	•		No state income tax and 15% tax credits for qualified expenditures
8	Illinois	•	•	25% tax credit for labor expenses paid to Illinois residents
9	Oklahoma	•	•	15% rebate on production expenditures in Oklahoma
10	New York	•		10% tax credit for in-state production expenditures and an additional 5% refundable tax credit against New York City tax liability.
11	Puerto Rico			40% investment tax credit for labor and production expenditures in Puerto Rico.
12	South Carolina	•	•	5% rebate for in-state labor expenditures and 7% rebate on qualified in-state expenditures.
13	Hawaii		•	4% expenditure tax credit 35% investor tax credit
14	New Jersey	•		State will guarantee production loan up to \$1.5 million
15	California	•	•	Fee free state owned locations and free law enforcement
16	Oregon	•	•	Rebate of parking fees
17	Arizona	•	•	No withholding tax on non-resident labor

18	Washington	•	•	No state income tax
19	Utah	•	•	
20	Maryland	•	•	
21	Connecticut	•	•	
22	Colorado	•	•	
23	Texas	•	•	
24	Montana (without incentive program)	•	•	No tax on migratory film equipment
25	Alabama	•	•	
26	Maine	•	•	
27	Vermont	•	•	
28	Wyoming		•	10% discount on production related services
29	Virginia	•		
30	Georgia	•		
31	North Carolina	•		
32	Alaska	•		No state income tax
33	New Hampshire	•		No income tax on wages.
34	Arkansas	•		
35	Tennessee	•		
36	Delaware	•		
37	Kentucky	•		
38	Nevada			No corporate or individual income tax.
39	Kansas		•	
40	South Dakota		•	
41	Minnesota		•	
42	Michigan		•	
43	Ohio		•	
44	Idaho		•	
45	Indiana		•	
46	Nebraska		•	
47	West Virginia			
48	Iowa			
49	Wisconsin			
50	Rhode Island			
51	Massachusetts			
52	North Dakota			

	TOTAL	32	26	22 states have additional incentives to entice the film industry to film in their states; with 14 of those being aggressive tax credit or rebate plans similar to the proposed incentives for Montana.
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