

State Film Incentives 2025

NASBO

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Andrea Jimenez, Policy Associate, Fiscal Affairs Program

Who is NCSL?

- Non-partisan organization.
- Members are all 7,383 legislators and 30,000 legislative staff in 50 states, D.C. and U.S. territories.
- Offices in Denver and D.C.
- Among our goals– to provide legislatures with information and research about policy issues, both state and federal.



Background

1992: Louisiana initiates film incentives to lure production out of California. Other states followed suit.

2010: By 2010 45 states, D.C. and Puerto Rico have film incentive programs

2011-2019: States pare back incentive programs to recover from the Great Recession

2020: The COVID pandemic shuts down film production. States step in to help industry recover.

Recent Film Incentive Trends

In 2021-2023:

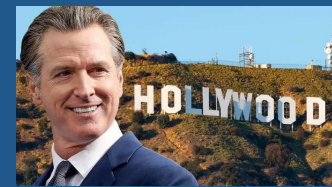
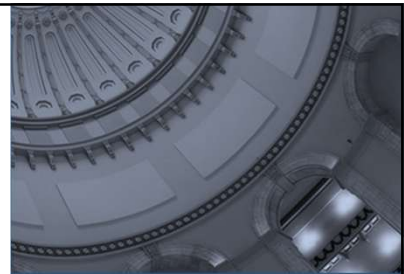
- States come to the rescue after pandemic shutdown
- At least 22 states implement or expand film incentives

In 2024:

- Activity slows down
- Proposals in several states failed.

2025

- Three states proposed expanding their film incentive programs (California, Nevada, Texas).
- Wisconsin was the only state to propose starting their own program.



Types of Incentives Offered By States

Tax Credits

Tax Credits

Subtraction from tax liability

Rebates

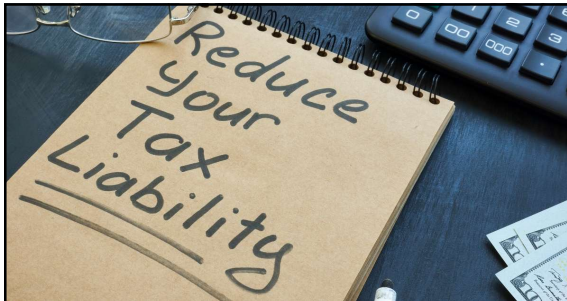
Rebates

Refund on production expenses

Grants

Grants

Financial award for specific purpose



Types of Tax Credits

Film Incentive Programs

Refundable Credit

If the value of the credit exceeds the taxes owed, the difference is paid as a refund

Taxpayers receive full value of the tax credit

Non-Refundable Credit

The amount of the tax credit can not be greater than the taxpayers tax liability

Transferable Credit

If the value of the credit exceeds tax liability, taxpayer can sell the remaining credit

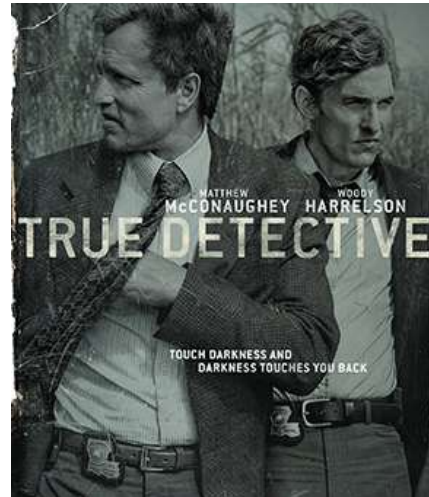
True Detective season 1 was filmed in...

A. Florida

B. Mississippi

C. Louisiana

D. Texas



Louisiana

Motion Picture Production Program

Available Tax Credits

- 25% base credit for qualified in-state expenditures
- 10% increase for Louisiana screenplay productions
- 5% increase if outside of the New Orleans Area

Requirements

- \$50,000 minimum in-state expenditure for screenplay productions
- \$300,000 minimum in-state expenditure for all other eligible productions



Max credits issued: \$150M per fiscal year

Max credits that can be claimed: \$180M per fiscal year

Project cap: \$20M

Credits are transferable back to the state at 88% value (certified before 2017)

What state was *Breaking Bad* filmed in?



A. New Mexico

B. Nevada

C. California

D. Arizona

New Mexico

The Film Tax Credit

Available Tax Credits

- 25% Base Credit
- 10% credit for expenditures in areas 60 miles outside of Santa Fe and Albuquerque
- 5% bonus available for television series or a pilot (must meet certain requirements)

Requirements

- No minimum spend for base credit
- \$50,000 per episode for TV bonus



Annual cap: \$120M
Transferable
Refundable

In what state was *Bull Durham* filmed in?

A. Virginia

B. Georgia

C. North Carolina

D. Alabama



North Carolina

Film and Entertainment Grant

Rebate

- 25% rebate for payroll and local spend

Requirements

- \$1.5M minimum spend for feature length films
- \$500K minimum spend for TV/streaming series
- \$250K minimum spend for commercials



Annual cap: \$31M

Project caps:

Films \$7M

TV series: \$15M

Commercials: \$250K

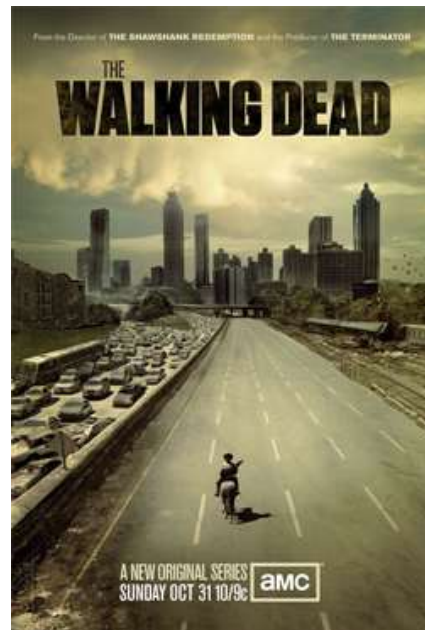
In what state was *The Walking Dead* filmed in?

A. Virginia

B. Georgia

C. Tennessee

D. Alabama



Georgia

Film Tax Incentive

Available Tax Credits

- 20% base credit
- 10% additional credit by including Georgia logo

Requirements

- \$500,000 minimum expenditure per year



No annual cap
No project cap
Transferable

Do Film Incentives Work?

Are they a good investment?



Depends on your goal



If the goal is increasing tax revenue: the short-term return is usually change on the dollar



If the goal is growing the production industry and creating jobs, film incentives can be successful



There are intangible benefits like increasing visibility for the state and tourism



States seeking long term investment require larger credits to be competitive



Policy Considerations

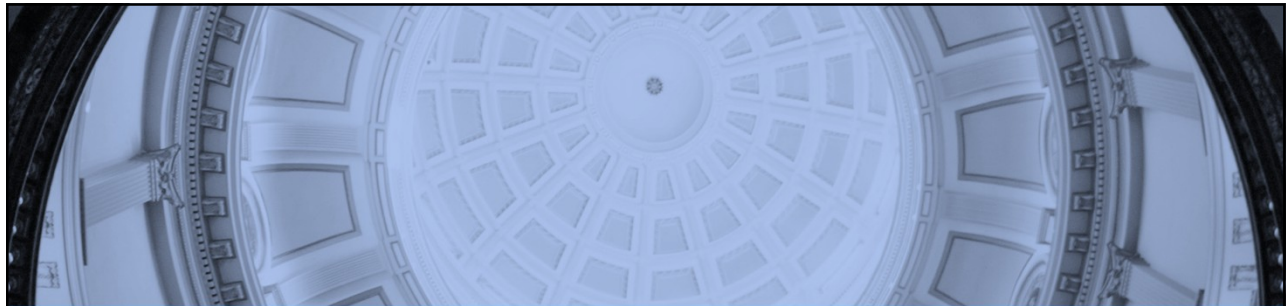


Ideas states have implemented to control costs and meet policy goals:

- Raise the threshold for in-state spending/filming
- Cap program costs
- Target credits towards workers who reside in the state
- Evaluate credit transferability and refundability policies
- Tighten the timeline in which a project can apply for credits
- Encourage multi-year projects

Resources

- [NCSL State Tax Incentive Evaluations Database](#)
- [Film Tax Incentives Back in the Spotlight](#), NCSL
- [Tax Incentive Evaluation: Georgia's Film Tax Credit](#), Georgia State University Fiscal Research Center
- [Economic Impact Study of Georgia's Entertainment Industry Tax Credit](#), Olsberg SPI
- [Economic Impacts of Georgia's Film Tax Credit](#), Phoenix Center Policy Bulletin No. 66
- [Evaluating the Effectiveness of State Film Tax Credit Programs](#), Ernst & Young
- [California's Film Tax Credit](#), Legislative Analyst
- [Motion Picture Investor Tax Credit](#), Louisiana Department of Economic Development



Thank you for joining today!

Andrea Jimenez
Policy Associate, Fiscal Affairs
Program
Andrea.jimenez@ncsl.org



www.ncsl.org



@NCSLorg



Denver
7700 East First Place,
Denver CO 80230

Washington D.C.
444 North Capitol Street, N.W.
Suite 515,
Washington, D.C. 20001