

Colorado Film Commission Legislation Summary 3-11-08

- **Goal: To establish Colorado as a Viable Option for Worldwide Film Production by Passing Film Incentive Legislation HB1355**
- **Proposing a 25% Transferable Tax Credit.**
 - Qualifications are:
 - Production budget must be in excess of \$250,000
 - Expenses must be in Colorado
 - Expenses will be reviewed and proven before incentives are authorized
- **\$330 million in Economic Impact with just \$100 million in spending** based on an economic multiplier of 3.3 (\$100 million X 3.3 = \$330 million in spending)
- **\$100 million in production expenses would generate \$25 million in tax credits** that would be sold to Colorado businesses to be applied to their Colorado tax bills
- **Film production impacts the Front Range and rural Colorado.** According to a 2002 study by the University of Colorado, film production had an economic impact in “at least 40 of Colorado’s 64 counties.”
- **Neighboring states have programs and are earning the benefits at Colorado’s detriment.** Programs are established in Arizona, Utah, Wyoming, Montana and New Mexico. With a 25 percent tax credit, New Mexico has seen production spending in the state go from \$71 million in 2005 to \$142 million in 2007. Since 2002, New Mexico’s film incentives have helped add \$1.5 billion to the state’s economy.
- **The legislation reestablishes the Colorado Film Commission as a State Office of the Governor.** The office is proposed to have an operating budget of \$770,000 for staff and operations. The office is similar to those in other states and is a necessary component to bring video and film production to Colorado and to oversee the rebate program.
- **The bill has bi-partisan support.** House sponsors are Rep. Tom Massey (R) and Cheri Jahn (D). Senate sponsors are Nancy Spence (R) and Dan Gibbs (D).
- **Example of type of impact: 12 Day Production by Paramount Pictures in Colorado in 2007.**
 - *\$3.25 million in Colorado expenditures*
 - 2,000 hotel room nights
 - 11,880 work hours for Colorado residents
 - 65 trade professionals
 - 1200 extras
 - Unknown expenses by cast and crew during leisure time with expense budgets.
 - Unknown positive impact on tourism after film is released showcasing state.
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