





KAREN CARBERRY WARHOLA DIRECTOR, MAINE FILM OFFICE (207) 624-9828 (O) (207) 215-2462 (C)

January 15, 2022

To: Senator Ben Chipman, Chair

Representative Maureen Terry, Chair Joint Standing Committee on Taxation

From: Karen Carberry Warhola

Director, Maine Film Office

\$13090-L. Visual media production certification

http://www.mainelegislature.org/legis/statutes/5/title5sec13090-L.html

7. Report. The Maine State Film Office shall submit a report by January 15th annually to the joint standing committee of the Legislature having jurisdiction over taxation matters regarding the certification and reporting process pursuant to this section and the visual media production tax credit and reimbursement activities pursuant to Title 36, section 5219-Y and Title 36, chapter 919-A. The report must include a description of any rule-making activity related to the implementation of the credit and reimbursement activities, outreach efforts to visual media production companies, the number of applications for the visual media production credit and tax reimbursement, the number of credits and reimbursements granted, the revenue loss associated with the credit and reimbursement and the amount of visual media production expenses generated in the State as a result of the credit and reimbursement.

[2009, c. 470, \$1 (NEW).]

In accordance with Maine's statutory requirements, this report provides: a description of any rulemaking activity related to the implementation of the credit and reimbursement activities; outreach efforts to visual media production companies; the number of applications for the visual media production credit and tax reimbursement; the number of credits and reimbursements granted; the revenue loss associated with the credit and reimbursement; and the amount of visual media production expenses generated in the state as a result of the credit and reimbursement.

KEY HIGHLIGHTS

During calendar year 2021:

- There was no rule-making activity related to the implementation of the credit and reimbursement activities.
- Fewer than 10 claims were received during 2021 for the Maine Attraction Film Incentive Plan (combined film production wage reimbursement and income tax credit).
- Those claims totaled \$327,736.00.
- Outreach efforts to visual media productions include contact with productions in: United Kingdom, London, France, Quebec, Ontario, Montreal, Vancouver, Los Angeles, Burbank, Sacramento, Boston, and the states of TX, MD, IA, WI, UT, MI, OR, CA, CO, DC, FL, OK, MA, ME, NH, NY, NJ, PA, RI, TM, OH, NE.



The Film Office promoted Maine as a filming location to the global film community

The Film Office continued to adapt to the unpredictable and unprecedented challenges of marketing Maine as a filming location during a pandemic. Events previously shuttered in 2020 moved online in 2021 and the Film Office expanded its virtual marketing outreach.

While COVD-19 created challenges, it also left our industry with an opportunity. During the pandemic people spent more time at home and the demand for content surged. As the streaming wars escalated the demand for products produced by our industry, a large resurgence of COVID cases in Los Angeles and New York prompted production companies to move their filming slates to other jurisdictions.

Productions came to Maine, hired locally, and spent money on vendors that are stakeholders in various business sectors; lodging, restaurants, transportation, retail sales, recreation, and other businesses that provide goods and services for productions.

Despite the pandemic, production in Maine has continued to increase and expand into the shoulder seasons, increasing the money spent by productions on vendors that are in the traditionally tourism, hospitality and outdoor recreation sectors that are critical to our economy.

The Film Office virtual marketing included the following:

With industry in-person events cancelled throughout 2021, virtual appointments and contacts made by Zoom, email, phone and social media led to increased productions filmed in Maine.

The Film Office Director attended four virtual industry events: South by Southwest Film Festival (SXSW); Toronto International Film Festival (TIFF); American Film Market (AFM) and LocationEXPO; and the International Association of Filmmakers (AFCI) Cineposium. Events attended also included virtual marketing and networking opportunities with conferences, panels, workshops, and exhibitions.

Content on the Film Office website was expanded with available resources across all Maine jurisdictions and business sectors to encourage productions to hire and source goods locally.

National outreach efforts include contact with productions and production companies in: TX, MD, IA, WI, UT, MI, OR, CA, CO, DC, FL, OK, MA, ME, NH, NY, NJ, PA, RI, TN, OH, AND NE.

Global outreach efforts to visual media productions included contact with productions in: United Kingdom, London, France, Quebec, Ontario, Montreal, and Vancouver.

The types of productions the Maine Film Office had contact with include the following categories:

- Feature, Scripted Narrative Film
- Feature, Documentary Film
- · Feature, Short Film
- TV Series / Cable Network
- TV Series Episodes / Cable Network

- TV Special Documentary / Cable Network
- National Commercial
- Web Content
- Photo Shoot
- Student Film

The types of companies and filmmakers the Maine Film Office had contact with include:

- Film Studios
- TV Broadcast Networks
- Cable Broadcast Networks
- National Advertising Agencies
- Productions Companies
- Advertising Agencies
- Payroll Companies
- Executive Producers
- Producers
- Line Producers

- Directors
- Production Managers
- Location Managers
- Location Scouts
- Still Photographers
- Professional Industry Organizations
- Film Festival Executives and Organizers
- TV Stations
- Newspapers

