

Senate Bill 1035 expands the availability of the P Film Production Tax credit Program.

The legislation uncaps the film tax credit in order to give the DCED the flexibility to fully commit to multi-year productions and to more effectively budget for the program. Even with an “uncapped” program, the General Assembly would need to budget for the estimated amount based on what credits are being utilized that fiscal year.

The bill defines an eligible digital interactive media facility and a postproduction facility are both defined as facilities that are located in the Commonwealth, employ at least 10 full-time Pennsylvania residents and have made a capital investment in the facility or its equipment of at least \$500,000.

In addition to being able to participate in the 25% film tax credit, a postproduction facility would be able to receive an additional 5% credit if at least \$500,000 of postproduction work occurs at the facility.

A digital interactive media facility would be eligible for the 25% credit for the production of digital interactive media. The department would determine by guidelines when the product would be deemed completed.