

NEW

TEXAS PRODUCTION INCENTIVES

**RATES
UP TO
22.5%**

TEXAS MOVING IMAGE INDUSTRY INCENTIVE PROGRAM Highlights of Changes Effective September 5, 2013

INCENTIVE RATES

- We raised the Film, Scripted TV, and Video Game top tier base percentage rate to 20% from 15%. Your large project can receive 20¢ back for every qualified dollar spent.
- We kept the three tiers, but lowered the top tier threshold to \$3.5MM from \$5MM. It's now one-and-a-half million dollars easier to qualify for the top tier percentage rate.
- We eliminated the wage-only option. No more having to run two scenario calculations for each project.
- We kept the 2.5% bump for Underutilized and Economically Distressed areas. With the change in the top tier rate, the highest rate available is now 22.5%.
- We raised the top rate for Reality TV and Commercials to 10% from 5%. Your \$1MM+ project can now see a higher return.

| Qualifying Spending | Film, Scripted TV, Video Games | Reality TV, Commercials |
|---------------------|--------------------------------|-------------------------|
| Above \$3.5MM | 20% | 10% |
| \$1MM to \$3.5MM | 10% | 10% |
| Up to† \$1MM | 5% | 5% |

SALES TAX EXEMPTION

- The sales tax exemption on production equipment and select services remains. An additional 8.25% point-of-sale discount means more savings for your bottom line.

VISUAL EFFECTS PROJECTS

- Visual Effects work done in Texas can now qualify as its own project.

ECONOMICALLY DISTRESSED AREA MAPS

- The maps remain the same through August 31, 2015. Another 24 months of locations planning stability.

APPLICATION WINDOW

- We increased the days you can apply before the project starts to 60 from 30. You have more certainty sooner when it comes to your project's finances and location.
- We increased the days you must apply before the project starts to 5 from 1. Now get your acceptance email before your project starts.

MORE INFORMATION

- If you have questions, call us at 512-463-9200 or e-mail us at filmincentive@gov.texas.gov.

This information is presented in a summary format, is not an exhaustive presentation of TMIIIP, and is qualified entirely by reference to the authorizing statute and program rules.
 † \$250K minimum Qualified Spending for Film, Scripted and Reality TV projects, \$100K minimum Qualified Spending for Video Games and Commercials.