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TESTIMONY IN SUPPORT OF HOUSE BILL 432:

Income Tax - Film Production Activity Tax Credit - Alterations

TO: Hon. Vanessa Atterbeary, Chair, and members of the House Ways and Means Committee

FROM: Christopher Dews

DATE: February 9, 2022

My name is Christopher Dews and I am an actor/performer in the DMV. I support House Bill 432 as a means of attracting film, commercial, and television production to the state and increasing access to employment to Maryland's vast talent pool of qualified actors, producers, designers, technicians, agents and crewmen.

Maryland has always been a thriving environment for business and is heavily saturated with a variety of locales including beaches, cities, forests, lakes, mountains, bridges, bases, farmland, historical architecture, and more. This makes the state an ideal place for the production of film and television. In 2014, the Maryland Department of Commerce set aside \$25 million dollars in redeemable tax credits for "[film production activities](#)" including the production of feature films, television, commercials, and music videos. This tax credit attracted companies from across the country to shoot large-scale productions like *House of Cards*, *VEEP*, and *The Wire* in Maryland. The latter of which brought widespread publicity to the city of Baltimore and sharply increased revenue-generated tourism to the state.

Since 2014 however, the Baltimore Film Office has noted a massive drop off in film interest in the state. This is primarily due to the fact that the tax credit receded in the following fiscal years from \$25 million to \$7.5 million and is currently set at \$12 million for FY22, half of where it was a decade ago. The state is missing out on a tremendous revenue-generating opportunity by leaving its redeemable credits so low. Especially considering that film-rich states like New York and California are still extremely expensive to produce in.

House Bill 432 seeks to address this issue by restoring the current tax credit to \$25 million for FY23 and doubling it to \$50 million for each fiscal year thereafter. Passing this legislation will effectively attract more production opportunities to Maryland, increase overall tax revenue, and provide solid income-generating opportunities for hundreds of thousands of performers, producers, and technicians that perform in the state. For these reasons, I urge a favorable report.