SUMMARY

The Utah Film Commission markets the state as a location for film and commercial production. The film industry in Utah typically employs over 2,000 people. Typically the program measures their success by the number of production days in Utah. Over the past few years these production days have been decreasing. This is partially the result of incentives offered by other states and countries and partially due to the changing nature of programming. The Motion Picture Task Force has been meeting for the past year to consider various incentive proposals and programs to make the state more competitive in attracting film production to Utah.

OBJECTIVE

The purpose of this issue brief is to inform the Legislature of the film incentives available in Utah and identify new incentives currently proposed which should help increase production days in the state.

DISCUSSION AND ANALYSIS

The film industry currently has three types of incentives at their disposal.

1. Utah offers a transient room tax rebate for people occupying rooms for more than 30 days.
2. Utah implemented a sales and use tax exemption related to film, television and video production equipment.
3. Utah utilized the Industrial Assistance Fund on a short term basis to provide $1,000,000 in assistance to the film industry.

The Legislature has been considering a long term solution to film industry needs. The Motion Picture Task Force has recommended creating a Film Incentive Fund which will be administered by the Business Development Board. Requirements for funding include minimum wage thresholds, distribution readiness, hard money requirements, and an incremental new activity requirement. The fund which is authorized at $3,000,000 initially will require replenishment from the General Fund annually. The goal of the fund is to encourage diverse film, television, and video projects throughout the state. If successful the Film Incentive Fund could strengthen Utah’s film production industry over time.