

IMPACT ANALYSIS OF MOTION PICTURE PRODUCTION

Identifying Number: 2012-0011

Date: 10/15/12

IMPACT ON THE INDUSTRY(IES) IN WHICH THE APPLICANT WILL BE INVOLVED:

The production will have a positive economic effect on the following industries: film & TV, lodging, tourism, preservation, transportation, food/beverage, local crew base, equipment rentals and small businesses.

STATE FISCAL MATTERS, INCLUDING THE STATE BUDGET (REVENUES & EXPENSES):

The production will spend approximately \$1.7M million in RI.

Anticipated tax credits are \$425,000.

Based on Dr. Edward Mazze's report, "The Economic Impact of the Motion Picture Production Tax Credit on the RI Economy", for every \$1 invested in the tax credit, over \$8 of economic activity will result.

FINANCIAL EXPOSURE OF TAXPAYERS & NEGATIVE FORESEEABLE CONTINGENCIES:

The tax credits will be issued only after it is ascertained that the production meets all of the requirements of the Motion Picture Tax Incentive Program, as defined by law. There are no negative foreseeable contingencies.

APPROXIMATE NUMBER OF FULL-TIME, PART-TIME, TEMPORARY, SEASONAL AND/OR PERMANENT JOBS, INCLUDING CONSTRUCTION, PROJECTED TO BE CREATED:

Approximately 50 full-time temporary crew jobs and 145 part-time temporary jobs will be created. Additional spending will occur on goods and purchases from "Rhode Island qualified vendors".

GEOGRAPHIC SOURCES OF STAFFING FOR IDENTIFIED JOBS:

The State of Rhode Island.

PROJECTED DURATION OF IDENTIFIED CONSTRUCTION JOBS:

There are no identified construction jobs.

APPROXIMATE WAGE RATES FOR EACH CATEGORY OF JOBS:

Standard union day rates will apply. Approximately \$710,000 is anticipated be spent on wages, which includes fringes.

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TYPES OF FRINGE BENEFITS TO BE PROVIDED WITH THE IDENTIFIED JOBS, INCLUDING HEALTHCARE INSURANCE & RETIREMENT BENEFITS:

Standard union benefits for health, welfare and pension per IATSE, SAG/AFTRA and Teamster agreements.

PROJECTED FISCAL IMPACT ON INCREASED PERSONAL INCOME TAXES TO THE STATE OF RI:

All employees receiving a wage in Rhode Island will be required to pay personal income tax based on their income.

Detailed expenditures including individual employee information including Social Security numbers and wages earned, as well as wages earned by loan out companies and Rhode Island qualified vendors, will be sent directly to the Division of Taxation by the Production.

DESCRIPTION OF ANY PLAN OR PROCESS INTENDED TO STIMULATE HIRING FROM THE HOST COMMUNITY, TRAINING OF EMPLOYEES OR POTENTIAL EMPLOYEES, & OUTREACH TO MINORITY JOB APPLICANTS & MINORITY BUSINESSES:

Student interns will be hired.

Production will aim to utilize "Rhode Island qualified vendors" for any purchase of goods and/or services in order to access the tax credit.