



MOTION PICTURE ASSOCIATION - AMERICA

March 19, 2021

The Honorable Dave Lislegard
Representative
Minnesota House of Representatives
100 Rev. Dr. Martin Luther King Jr. Blvd.
413 State Office Building
St. Paul, MN 55155

RE: MPA Support for House File 1975

Dear Representative Lislegard:

I am writing on behalf of the members of the Motion Picture Association (MPA) ¹ in support of House File 1975, which includes a welcomed expansion of the state's production incentive program. The MPA's members are the leading producers and distributors of entertainment content across all platforms, including theatrical motion pictures, broadcast, cable and satellite television, and streaming via the Internet.

We support the legislation as it provides a healthy enhancement to the state's production incentive program with a transferable tax credit equal to 25%. The state's existing modest production incentive program has been good for the Minnesota economy, however, production companies these days are basing their location decisions primarily on cost. Given the expanding domestic and

¹ Paramount Pictures Corporation, Sony Pictures Entertainment Inc., Universal City Studios LLC, Walt Disney Studios Motion Pictures, Warner Bros. Entertainment Inc., and Netflix Studios.

international incentives, it will be important for Minnesota to increase its incentive to be able to compete for these productions.

This is a perfect time for Minnesota to enhance its incentive. We are in a new age of television with 500 plus scripted TV shows. Many states are at filming capacity due to the explosive nature of TV Productions and the demand for streaming. This industry can be the perfect catalyst for the state's economy by creating permanent good-paying jobs. The economic impact of the film industry is felt across many business sectors many new and expanded businesses will follow because there are support services, which benefit from the industry but are not able to claim the tax credit. In addition to camera, lighting and audio equipment, film companies use a wide range of support services during production including catering, construction, transportation, accounting and payroll and post-production.

This industry is an important economic engine to help the state's current and future economic growth. The MPA members look forward to an opportunity to consider Minnesota as a production location.

Please feel free to reach out to Todd Hill, MPA's Legislative Advocate or me with any questions. Thank you in advance for your support of this key industry.

Sincerely,



VICE PRESIDENT - STATE GOVERNMENT AFFAIRS AND STATE TAX POLICY

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