

CONNECTICUT

PRODUCTION COALITION

FILM & DIGITAL MEDIA INDUSTRY

TOOLKIT: Tax Credit Advocacy Day & Public Hearing

“If the tax credit goes away, the industry goes away with it!”

PARTICIPANT INSTRUCTIONS

PURPOSE:

Save Connecticut's film and digital media industry by:

- (a) Attending the Legislature's Finance Committee hearing that will consider whether to eliminate or drastically reduce the production tax credit.
- (b) Visiting your State Rep & Senator while at the Capitol.

THEME:

- 1) **Film Tax Credit = Jobs, Jobs, Jobs**
- 2) **Don't cut the only growth industry in the State.**
- 3) **If the tax credit goes away, the industry goes away with it.**

DATE/TIME/LOCATION:

Monday, February 23

11:30 am sharp

Meet in front of **Room 2E** of The Legislative Office Building (**LOB**):

300 Capitol Avenue

Hartford, CT 06106

YOUR ROLE:

1. Attend the Finance Committee Hearing to show your support. You won't have to testify, but just being there as a show of force is critically important.
2. Visit Your Senator and Representative's Offices: One of the most important ways you can help save the industry is to stop into the offices of your local State Senator and Representative. If they are available to see you when you stop in, you can use the talking points provided in this toolkit and leave your personalized letter (explained later in this guide) behind with them. If they are not available, you can leave the letter with the staff person.

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ADVANCE ACTION Needed Before Monday

1. **Know Your Senator and Representative:** If you don't already know the names of your local state senator and representative, then visit the state's website at www.cga.ct.gov/maps/townlist.asp which lists each town in alphabetical order. Go to your town and then click on the corresponding House and Senate district numbers. If you have multiple districts in your town and you aren't sure which district number you live in, you can use the map that is provided, or the site allows you to click on a link (www.votesmart.org) to determine your district by your nine-digit zip code (and at that site you can click on a link to ascertain your nine-digit zip code if you don't know it). It's really easy and takes just a couple of minutes, but email us at info@productionct.com if you need help.
2. **Print Out Legislative Letters Before Monday:** Take the generic "letter to your legislator" model that is a part of this toolkit (see a couple of pages down) and customize with your name and address, one for your senator and one for your representative, insert where indicated any special message that you want to convey (this is not absolutely necessary but makes for a stronger message), print them out, sign them and bring them with you to the LOB. When you visit the offices of your specific representatives you will leave these letters behind. If you don't have time to do this, we'll have generic letters there that you can sign and deliver.
3. **Get More People:** There is strength in numbers, so in addition to you attending, please get as many people as you can (colleagues, employees, friends and family) to attend this critically important day to save the production industry. If you can sign up ahead of time with us as a Team Captain and commit to bringing 10 or more people, that would be immensely helpful – to do so call 203-348-2500 or send an email to info@productionct.com.

KEY COORDINATORS IF YOU NEED HELP WHEN AT THE CAPITOL:

Kristin Sampiere: 818-795-4204
Kodi Smith: 845-807-1557
Bruce Heller: 203-893-1380

PARKING:

There is a parking garage next to the LOB; turn off Capitol Avenue in front of the LOB and follow the road around to the visitor's entrance to the garage on the right.

Back-Up Parking: if the LOB garage is full, Capitol Police will direct you to the overflow parking lots.

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FILM & DIGITAL MEDIA INDUSTRY - *Talking Points....*

With the state's current budget crisis, I understand why lawmakers are actively considering a cut to the film and digital media tax credit program. However, eliminating or cutting the program would end one of the only economic stimulus programs actually working. It would shut the industry down overnight and the lost revenues would offset any savings gained.

1. **JOBS, JOBS, JOBS** This incentive program is about jobs, jobs, jobs – not just within the production industry, where over 2000 jobs have been created, but within all the support businesses such as construction, hotels and restaurants.
 - a. Proposed changes would have immediate impact: It would be to dry up productions; cease development of studios; and scare away companies that are right now actively considering locating here – **All of this will cost the state jobs and revenue.**
2. **Tax Revenues From New and Growing Industry.** This Program is bringing in significant tax revenues. While it seems logical that cutting a program that costs \$90M would save the state that \$90M, this is far from the reality. Offsetting tax revenues are generated through direct expenditures and payroll taxes and substantial indirect tax revenues are created by the increased economic activity.
 - a. Over the past two years, we went from **\$750,000 to over \$600M** in production.
 - b. This increased production brought estimated **\$1.5B in economic activity** to the state.
 - c. For every dollar of incentive paid, over \$16 of economic activity was generated – translating into **significant tax revenues.**
 - d. **New York:** Tax credit generates 19,500 jobs -- 7,000 direct production jobs and 12,500 from directly related economic activity. State yields \$404 million in tax revenue, at a cost of \$215 million in credits. [Source: *Ernst & Young; January 2009*]
 - e. **New Mexico:** Tax credit created total employment of 9,210 jobs. State receives \$1.50 in tax revenue for every dollar invested in production tax credits. [Source: *Ernst & Young; Prepared for the New Mexico State Investment Council; January 2009*]
 - f. **Massachusetts:** \$545 million spent on film production yields economic impact of \$1.36 billion. Cost to state is five cents for every new dollar of economic activity. [Source: *Massachusetts Film Office; www.mafilm.org; January 2009*]
3. **We Need a Diverse Economy:** With the current economic crisis hitting the financial industry disproportionately, it is clearer than ever that we must build new industries and end the state's over-reliance on a single business.
 - a. As **one of the state's few growing industries**, the film & digital media sector is already beginning to provide that diversification.
 - b. This industry is attractive to young people and a future source of employment for our children.
 - c. This industry bolsters many other industries in the state. Most importantly, it builds on the state's **\$10B tourism industry.**
4. **Other Key Points: CPC over 1500 Strong -- Unions such as Teamsters, Construction support this program because it creates jobs -- bad public policy to cut a program that so much has been invested in -- we are finally beginning to attract permanent businesses.**