

October 1, 2021

The Honorable Steve Sisolak
Office of the Governor
One Hundred One North Carson Street
Carson City, Nevada 89701

Ms. Brenda Erdoes, Director
Legislative Counsel Bureau
401 South Carson Street
Carson City, Nevada 89701

**Re: Annual Report
The Nevada Film Office
Pursuant to NRS 360.7598**

Dear Governor Sisolak and Director Erdoes:

Pursuant to NRS 360.7598 the Governor's Office of Economic Development is submitting its annual report for the Transferable Tax Credits for Film and Other Productions. The attached report is based on information provided by the Qualified Productions and addresses the following statutory questions:

1. The number of applications submitted for transferable tax credits pursuant to NRS 360.759;
2. The number of qualified productions for which transferable tax credits were approved;
3. The amount of transferable tax credits approved;
4. The amount of transferable tax credits used;
5. The amount of transferable tax credits transferred;
6. The amount of transferable tax credits taken against each allowable fee or tax, including the actual amount used and outstanding, in total and for each qualified production;
7. The total amount of the qualified direct production expenditures incurred by each qualified production and the portion of those expenditures that were incurred in Nevada;
8. The number of persons in Nevada employed by each qualified production and the amount of wages paid to those persons; and
9. The period during which each qualified production was in Nevada and employed persons in Nevada.

We have also included a “Summary of Approved Incentives and of Actual Awards” report to provide a more comprehensive review of the Film program.

If further information is required, please contact me at your convenience.

Respectfully yours,



Melanie Sheldon
Director of Business Development

cc: Michael Brown, Executive Director, GOED
Eric Preiss, Director, Nevada Film Office, GOED

Annual Report
For the Nevada Film Office

Pursuant to NRS 360.759
(FY 2021)

Pursuant to NRS 360.7598 the Governor's Office of Economic Development is submitting its annual report for the Transferable Tax Credits for Film and Other Productions. The attached report is based on information provided by the Qualified Productions and addresses the following statutory questions:

1. The number of applications submitted for transferable tax credits pursuant to NRS 360.759: **There were five applications submitted for transferable tax credits pursuant to NRS 360.759 during the fiscal year 2021.**
2. The number of qualified productions for which transferable tax credits were approved: **Five productions qualified and were approved for transferable tax credits during the fiscal year 2021.**
3. The amount of transferable tax credits approved: **The total amount of transferable tax credits approved for the fiscal year 2021 was \$4,874,956.**
4. The amount of transferable tax credits used: **For the fiscal year 2021, including prior year balance carryforwards, there were \$4,289,444 transferable tax credits used.**
5. The amount of transferable tax credits transferred: **During the fiscal year ended 2021 there were \$3,732,287 of transferable tax credits transferred from productions to end user purchasers. There were \$557,157 of transferable tax credits issued but not transferred.**
6. The amount of transferable tax credits taken against each allowable fee or tax, including the actual amount used and outstanding, in total and for each qualified production: **The amount of transferable tax credits taken against gaming taxes was \$1,587,746 for the fiscal year 2021, with \$1,030,589 used/redeemed and \$557,157 outstanding. The amount of transferable tax credits taken against modified business taxes was \$193,765 for the fiscal year 2021, with \$44,817 used/redeemed and \$148,948 outstanding. The amount of transferable tax credits taken against insurance premium taxes was \$3,340,211 for the fiscal year 2021, with \$2,788,983 used/redeemed and \$551,228 outstanding.**
7. The total amount of the qualified direct production expenditures incurred by each qualified production and the portion of those expenditures that were incurred in Nevada: **In total, qualified production expenditures were \$34,285,615 for the fiscal year 2021 of which \$24,233,845 were incurred in Nevada.**
8. The number of persons in Nevada employed by each qualified production and the amount of wages paid to those persons: **During the fiscal year 2021, there were 1,390 persons**

employed at various times during productions and \$19,078,354 in wages paid to persons during which time those productions were in Nevada.

9. **The period during which each qualified production was in Nevada and employed persons in Nevada: Nine productions in Nevada were issued credits during the fiscal year 2021, these productions employed persons in Nevada during the various time frames:**

- **Who Wants to be a Millionaire Season 17 incurred qualified production expenditures from May 2018 to December 2019. The primary filming dates in which the majority of persons were employed in Nevada were July 2018 to August 2018.**
- **7 Days Alive Episodes 7-12 incurred qualified production expenditures from April 2018 to November 2018. The primary filming dates in which the majority of persons were employed in Nevada were May 2018 to August 2018.**
- **Downtown Vegas Reality Show incurred qualified production expenditures from February 2019 to September 2020. The primary filming dates in which the majority of persons were employed in Nevada were March 2019 to November 2019.**
- **Hell's Kitchen Seasons 19 & 20 incurred qualified production expenditures from February 2019 to August 2019. The primary filming dates in which the majority of persons were employed in Nevada were April 2019 to July 2019.**
- **Christmas Reservations incurred qualified production expenditures from April 2019 to May 2019. The primary filming dates in which the majority of persons were employed in Nevada were April 2019 to May 2019.**
- **Catch 21 Reboot – Cycle 1 incurred qualified production expenditures from May 2019 to October 2019. The primary filming dates in which the majority of persons were employed in Nevada were July 2019 to August 2019.**
- **Get A Clue incurred qualified production expenditures from August 2019 to February 2020. The primary filming dates in which the majority of persons were employed in Nevada were September 2019 to October 2019.**
- **Feliz NaviDAD incurred qualified production expenditures from May 2020 to July 2020. The primary filming dates in which the majority of persons were employed in Nevada were June 2020 to July 2020.**
- **Dear Christmas incurred qualified production expenditures from June 2020 to August 2020. The primary filming dates in which the majority of persons were employed in Nevada were July 2020 to August 2020.**

Annual Report to the Governor and Director of Legislative Counsel Bureau

Prepared for the Office of Economic Development

By the Nevada Film Office

As of June 30, 2021

For the period July 1, 2020 to June 30, 2021

(In Accordance with NRS 260.2598)

	Valleycrest Millionaire - \$16	Valleycrest Millionaire - \$17	Global Genesis 7 Days Alive 7-12	Global Genesis 7 Days Alive 13-18	Downtown Vegas Reality Show	Hell's Kitchen Seasons 19 & 20	Christmas Reservations	Bleacher Report	Catch 21 Reboot - Cycle 1	Chef Jackpot	Get A Clue	Live with Kelly and Ryan	Divorcia a Las Vegas	Catch 21 Reboot - Cycle 2	Feliz NoviDAD	Dear Christmas	Love Island Season 2	Once Upon A Main Street	Blowback	My Magic Johnson	The Real Magic Mike	BattleBots Season 6	Total		
Number of applications submitted for the transferable tax credits																			1	1	1	1	1	5	
Number of qualified productions for which the transferable tax credits were approved																			1	1	1	1	1	5	
The amount of the transferable tax credits approved																		\$ 278,135	\$ 105,531	\$ 940,405	\$ 2,094,834	\$ 1,456,051	\$ 4,874,956		
The amount of the transferable tax credits used	\$ 557,157	\$ 272,850	\$ 193,765	\$ 2,276,111	\$ 198,311	\$ 288,868	\$ 263,801	\$ -	\$ 141,288	\$ 97,293														\$ 4,289,444	
The amount of the transferable tax credits transferred		\$ 272,850	\$ 193,765	\$ 2,276,111	\$ 198,311	\$ 288,868	\$ 263,801	\$ -	\$ 141,288	\$ 97,293															\$ 3,732,287
Declared tax type for tax credit	Gaming	Gaming	Insurance		MBT	Insurance	Gaming	Insurance	Gaming	Insurance					Insurance	Insurance									
The amount of transferable tax credits taken against each allowable fee or tax	\$ 557,157	\$ 272,850	\$ 193,765	\$ 2,276,111	\$ 198,311	\$ 288,868	\$ 263,801	\$ -	\$ 141,288	\$ 97,293					\$ 141,288	\$ 97,293									\$ 4,289,444
The amount redeemed for each production	\$ 530,254	\$ 272,850	\$ 44,817	\$ 1,900,546	\$ 198,311	\$ 288,868	\$ 302,024	\$ 185,431	\$ 141,288																\$ 3,864,389
The amount outstanding for each production	\$ 557,157		\$ 148,948	\$ 375,565				\$ 78,370																	\$ 1,257,333
The total amount of the qualified expenses and production costs incurred by each production	\$ 7,597,326	\$ 2,220,404	\$ 1,148,239	\$ 14,156,828	\$ 1,231,219	\$ 3,192,862	\$ 2,937,783	\$ 968,510	\$ 832,444																\$ 34,285,615
The total amount of qualified expenses and production costs incurred by each production in Nevada	\$ 4,108,037	\$ 1,377,958	\$ 1,001,397	\$ 11,944,645	\$ 852,030	\$ 2,034,637	\$ 1,830,103	\$ 582,704	\$ 502,334																\$ 24,233,845
The number of persons in Nevada employed by each qualified production (NV residents and non-residents working in NV)		100	280		83	516	83		96		129				58	45									1,390
The amount of wages paid to those persons (resident and non-resident incurred in NV)	\$ 3,345,468	\$ 1,282,423	\$ 870,760	\$ 8,989,132	\$ 1,030,162	\$ 1,203,635	\$ 1,383,255	\$ 554,045	\$ 419,474																\$ 19,078,354
The period during which each qualified production was in Nevada and employed persons in Nevada	May 2018 to December 2019	April 2018 to November 2018	February 2019 to September 2020	February 2019 to August 2019	April 2019 to May 2019	May 2018 to October 2019	August 2019 to February 2020	May 2020 to July 2020	June 2020 to August 2020																

NOTE: During fiscal year 2021, \$10 million in funding was made available to the program. Five productions applied and were approved for the transferable tax credit certificate of eligibility. Nine productions were issued their final credit; four of those productions fully redeemed their final credit and three of those productions partially redeemed their final credit. Two credits were issued but not redeemed. Two credits issued in fiscal year 2020 were fully redeemed. The production "Catch 21 Reboot - Cycle 2" was withdrawn from the program.

Transferable Tax Credits for Film and Other Productions vs. Net New Taxes and Economic Impacts - Fiscal Year 2021

Governor's Office of Economic Development

No.	Date	Company	Total Qualified Expenditures	Total Transferable Tax Credit	Net New Taxes	Wage Impact	Economic Impact	Net New Tax \$ per Transferable Tax Credit \$	Economic Impact \$ per Transferable Tax Credit \$	Total Wages & Fringes	Total Full-Time Equivalent Jobs
1	08/21/20	Christmas Reservations Inc	\$ 852,030	\$ 198,311	\$ 27,085	\$ 339,065	\$ 1,813,018	\$ 0.14	\$ 9	\$ 1,030,162	5.2
2	08/21/20	Upper Ground Enterprises, Inc	\$ 11,944,645	\$ 2,276,111	\$ 271,598	\$ 7,027,567	\$ 28,839,551	\$ 0.23	\$ 13	\$ 8,989,132	72.5
3	10/01/20	Game Show Enterprises, LLC	\$ 2,034,637	\$ 288,868	\$ 73,966	\$ 1,063,782	\$ 3,558,167	\$ 0.26	\$ 12	\$ 1,203,635	5.6
4	12/04/20	Feliz Navi-DAD Movie, LLC	\$ 582,704	\$ 141,288	\$ 28,332	\$ 371,661	\$ 2,012,247	\$ 0.20	\$ 14	\$ 554,045	4.4
5	12/29/20	Global Genesis Group LLC	\$ 1,377,958	\$ 272,850	\$ 62,259	\$ 1,066,619	\$ 3,835,818	\$ 0.23	\$ 14	\$ 1,282,423	25.4
6	01/20/21	Paved in '25 LLC	\$ 1,001,397	\$ 193,765	\$ 46,137	\$ 811,644	\$ 2,802,933	\$ 0.24	\$ 14	\$ 870,760	7.8
7	01/27/21	Game Show Enterprises, LLC	\$ 1,830,103	\$ 263,801	\$ 81,715	\$ 1,103,160	\$ 3,611,905	\$ 0.31	\$ 14	\$ 1,383,255	9.3
8	04/27/21	Valleycrest Productions Ltd	\$ 4,108,037	\$ 557,157	\$ 112,761	\$ 1,327,705	\$ 5,342,767	\$ 0.20	\$ 10	\$ 3,345,468	13.4
9	04/30/21	Christmas Reservations Inc	\$ 502,334	\$ 97,293	\$ 34,019	\$ 406,726	\$ 1,613,153	\$ 0.35	\$ 17	\$ 419,474	4.3
Totals for FY 2021			\$ 24,233,845	\$ 4,289,444	\$ 737,872	\$ 13,517,929	\$ 53,429,559	\$ 0.17	\$ 12	\$ 19,078,354	147.9