

TABLE 1 - OVERVIEW OF FILM TAX CREDIT PROPOSAL IN SENATE BILL 496

Fiscal Year	Noninfrastructure Transferable Tax Credits (NRS 360.7594)			CPI Adjustment Factor (3)	Las Vegas Media Campus (Zone 1)			Summerlin Production Studios (Zone 2)			Total Film Tax Credits (10)	Additional Credits Resulting from SB 496
	Existing Law (1)	Additional Amount - SB 496 (2)	Total		Base Credit Amount (4)(5)	CPI Adjusted Amount (6)	Total Credits	Base Credit Amount (7)(8)	CPI Adjusted Amount (9)	Total Credits		
2024	\$10,000,000	\$5,000,000	\$15,000,000	0.0%	\$0	\$0	\$0	\$40,000,000	\$0	\$40,000,000	\$55,000,000	\$45,000,000
2025	\$10,000,000	\$5,000,000	\$15,000,000	0.0%	\$0	\$0	\$0	\$40,000,000	\$0	\$40,000,000	\$55,000,000	\$45,000,000
2026	\$10,000,000	\$5,000,000	\$15,000,000	0.0%	\$0	\$0	\$0	\$40,000,000	\$0	\$40,000,000	\$55,000,000	\$45,000,000
2027	\$10,000,000	\$5,000,000	\$15,000,000	0.0%	\$0	\$0	\$0	\$40,000,000	\$0	\$40,000,000	\$55,000,000	\$45,000,000
2028	\$10,000,000	\$5,000,000	\$15,000,000	0.0%	\$55,000,000	\$0	\$55,000,000	\$40,000,000	\$0	\$40,000,000	\$110,000,000	\$100,000,000
2029	\$10,000,000	\$5,000,000	\$15,000,000	0.0%	\$55,000,000	\$0	\$55,000,000	\$40,000,000	\$0	\$40,000,000	\$110,000,000	\$100,000,000
2030	\$10,000,000	\$5,000,000	\$15,000,000	0.0%	\$95,000,000	\$0	\$95,000,000	\$80,000,000	\$0	\$80,000,000	\$190,000,000	\$180,000,000
2031	\$10,000,000	\$5,000,000	\$15,000,000	4.3%	\$95,000,000	\$4,039,000	\$99,039,000	\$80,000,000	\$3,402,000	\$83,402,000	\$197,441,000	\$187,441,000
2032	\$10,000,000	\$5,000,000	\$15,000,000	6.5%	\$95,000,000	\$6,142,000	\$101,142,000	\$80,000,000	\$5,173,000	\$85,173,000	\$201,315,000	\$191,315,000
2033	\$10,000,000	\$5,000,000	\$15,000,000	8.7%	\$95,000,000	\$8,280,000	\$103,280,000	\$80,000,000	\$6,973,000	\$86,973,000	\$205,253,000	\$195,253,000
2034	\$10,000,000	\$5,000,000	\$15,000,000	11.0%	\$95,000,000	\$10,445,000	\$105,445,000	\$80,000,000	\$8,796,000	\$88,796,000	\$209,241,000	\$199,241,000
2035	\$10,000,000	\$5,000,000	\$15,000,000	13.4%	\$95,000,000	\$12,692,000	\$107,692,000	\$80,000,000	\$10,688,000	\$90,688,000	\$213,380,000	\$203,380,000
2036	\$10,000,000	\$5,000,000	\$15,000,000	15.9%	\$95,000,000	\$15,064,000	\$110,064,000	\$80,000,000	\$12,686,000	\$92,686,000	\$217,750,000	\$207,750,000
2037	\$10,000,000	\$5,000,000	\$15,000,000	18.5%	\$95,000,000	\$17,564,000	\$112,564,000	\$80,000,000	\$14,790,000	\$94,790,000	\$222,354,000	\$212,354,000
2038	\$10,000,000	\$5,000,000	\$15,000,000	21.2%	\$95,000,000	\$20,172,000	\$115,172,000	\$80,000,000	\$16,987,000	\$96,987,000	\$227,159,000	\$217,159,000
2039	\$10,000,000	\$5,000,000	\$15,000,000	24.1%	\$95,000,000	\$22,887,000	\$117,887,000	\$80,000,000	\$19,273,000	\$99,273,000	\$232,160,000	\$222,160,000
2040	\$10,000,000	\$5,000,000	\$15,000,000	27.1%	\$95,000,000	\$25,711,000	\$120,711,000	\$80,000,000	\$21,651,000	\$101,651,000	\$237,362,000	\$227,362,000
2041	\$10,000,000	\$5,000,000	\$15,000,000	30.2%	\$95,000,000	\$28,649,000	\$123,649,000	\$80,000,000	\$24,126,000	\$104,126,000	\$242,775,000	\$232,775,000
2042	\$10,000,000	\$5,000,000	\$15,000,000	33.4%	\$95,000,000	\$31,716,000	\$126,716,000	\$80,000,000	\$26,708,000	\$106,708,000	\$248,424,000	\$238,424,000
2043	\$10,000,000	\$5,000,000	\$15,000,000	36.7%	\$95,000,000	\$34,880,000	\$129,880,000	\$80,000,000	\$29,373,000	\$109,373,000	\$254,253,000	\$244,253,000
2044	\$10,000,000	\$0	\$10,000,000	40.1%	\$95,000,000	\$38,139,000	\$133,139,000	\$80,000,000	\$32,117,000	\$112,117,000	\$255,256,000	\$245,256,000
2045	\$10,000,000	\$0	\$10,000,000	43.7%	\$95,000,000	\$41,493,000	\$136,493,000	\$80,000,000	\$34,942,000	\$114,942,000	\$261,435,000	\$251,435,000
2046	\$10,000,000	\$0	\$10,000,000	47.3%	\$95,000,000	\$44,940,000	\$139,940,000	\$80,000,000	\$37,844,000	\$117,844,000	\$267,784,000	\$257,784,000
2047	\$10,000,000	\$0	\$10,000,000	51.0%	\$95,000,000	\$48,460,000	\$143,460,000	\$80,000,000	\$40,809,000	\$120,809,000	\$274,269,000	\$264,269,000
2048 (11)	\$10,000,000	\$0	\$10,000,000	54.8%	\$95,000,000	\$52,065,000	\$147,065,000	\$80,000,000	\$43,844,000	\$123,844,000	\$280,909,000	\$270,909,000
TOTAL	\$250,000,000	\$100,000,000	\$350,000,000		\$1,915,000,000	\$463,338,000	\$2,378,338,000	\$1,760,000,000	\$390,182,000	\$2,150,182,000	\$4,878,520,000	\$4,628,520,000

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IN SENATE BILL 496 (PAGE 1 OF 3)

TABLE 1 - OVERVIEW OF FILM TAX CREDIT PROPOSAL IN SENATE BILL 496

NOTES:

(1) As approved by the Legislature in Assembly Bill 492 of the 2017 Session, the total amount of credits that may be approved under the current film tax credit program is \$10 million per fiscal year, effective at the beginning of FY 2018. Any amount of the \$10 million not approved by the Office of Economic Development may be carried forward and approved in any future fiscal year.

(2) Section 23 of Senate Bill 496 amends NRS 360.7594 to increase the amount of tax credits that may be approved in each fiscal year between FY 2024 and FY 2043 from \$10 million to \$15 million. This column reflects the additional \$5 million that is authorized in this section, which may also be carried forward to future fiscal years if not approved in any fiscal year.

(3) Section 16, subsection 2 of Senate Bill 496 requires, beginning in FY 2031, that the maximum credit amounts for the Las Vegas Media Campus Project and the Summerlin Production Studios Project be adjusted by the percentage change in the Consumer Price Index (All Items) for the region applicable to the Las Vegas metropolitan area between July 2027 and the July preceding the fiscal year for which the adjustment is calculated. (For example, the percentage change for FY 2031 is the forecast change in the CPI between July 2027 and July 2029.) The calculated amounts in this column are based on Moody's Analytics May 2023 forecast for the Consumer Price Index (All Items) for the United States as an example of how the calculation will work, since Moody's Analytics does not publish forecasts for the Western Region (the region applicable to the Las Vegas metropolitan area), and does not represent the actual amount by which the credit amounts will be annually adjusted beginning in FY 2031, if Senate Bill 496 were approved by the Legislature.

(4) Section 16, subsection 1, paragraph (a), subparagraph 1 allows for the approval of tax credits to production companies located at the Las Vegas Media Campus Project in an amount not to exceed \$55 million for each fiscal year after the Project has met the requirement for \$200 million in capital investment, which must occur by December 31, 2027, as required in Section 10, subsection 1, paragraph (a), subparagraph (1), sub-subparagraph (I). The example shown in Table 1 assumes that the Project will meet this capital investment on that date, which would allow the approval of up to \$55 million in credits beginning in FY 2028; however, these credits may be approved sooner than that date if the \$200 million in capital investment is met before December 31, 2027.

(5) Section 16, subsection 1, paragraph (a), subparagraph 2 allows for the approval of tax credits to production companies located at the Las Vegas Media Campus Project in an amount not to exceed \$95 million for each fiscal year after the Project has met the requirement for \$500 million in cumulative capital investment by December 31, 2029, as required in Section 10, subsection 1, paragraph (a), subparagraph (1), sub-subparagraph (II). The example shown in Table 1 assumes that the Project will meet this capital investment on that date, which would increase the amount of credits allowed to \$95 million in FY 2030; however, these credits may be approved sooner than that date if the \$500 million in cumulative capital investment is met before December 31, 2029.

(6) The "CPI adjusted amount" is the amount of credits to be added to the base amount of \$95 million beginning in FY 2031, to comply with the requirement in Section 16, subsection 2 of the bill that the maximum amount of credits for the Las Vegas Media Campus Project be adjusted each year by the percentage change in the Consumer Price Index (All Items) for the region applicable to the Las Vegas metropolitan area between July 2027 and the July preceding the fiscal year for which the adjustment is calculated. The amount in this column is the product of the base credit amount and the percentage in the CPI Adjustment Factor column, rounded to the nearest \$1,000.

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NOTES:

(7) Section 16, subsection 1, paragraph (b), subparagraph 1 allows for the approval of tax credits to production companies located at the Summerlin Production Studios Project in an amount not to exceed \$40 million for each fiscal year once the Project has executed a development agreement with the Office of Economic Development, which must occur no later than 120 days after July 1, 2023, as required in Section 10, subsection 1, paragraph (b), subparagraph (1), sub-subparagraph (I). The example shown in Table 1 assumes that the Project will meet this requirement, which would allow the approval of up to \$40 million in credits per fiscal year beginning in FY 2024, and it assumes that the Project will meet the requirement for a minimum capital investment of \$150 million by December 31, 2027, which is required to maintain this credit amount pursuant to Section 10, subsection 1, paragraph (b), subparagraph (1), sub-subparagraph (I).

(8) Section 16, subsection 1, paragraph (b), subparagraph 2 allows for the approval of tax credits to production companies located at the Summerlin Production Studios Project in an amount not to exceed \$80 million for each fiscal year after the Project has met the requirement for a second phase of the project consisting of an additional \$250 million in capital investment by December 31, 2029, as required in Section 10, subsection 1, paragraph (b), subparagraph (1), sub-subparagraph (II). The example shown in Table 1 assumes that the Project will meet this capital investment on that date, which would increase the amount of credits allowed to \$80 million in FY 2030; however, these credits may be approved sooner than that date if the requirement for the additional \$250 million in capital investment is met before December 31, 2029.

(9) The "CPI adjusted amount" is the amount of credits to be added to the base amount of \$80 million beginning in FY 2031, to comply with the requirement in Section 16, subsection 2 of the bill that the maximum amount of credits for the Summerlin Production Studios Project be adjusted each year by the percentage change in the Consumer Price Index (All Items) for the region applicable to the Las Vegas metropolitan area between July 2027 and the July preceding the fiscal year for which the adjustment is calculated. The amount in this column is the product of the base credit amount and the percentage in the CPI Adjustment Factor column, rounded to the nearest \$1,000.

(10) "Total Film Tax Credits" represents the sum of the total additional amount of tax credits that are authorized for approval in that fiscal year under each of the three categories of credits allowed through Senate Bill 496. Pursuant to NRS 360.7594, as amended by Section 23 of the bill, credits under the existing film tax credit program that are authorized, but which are not approved for a qualified production, may be carried forward and made available for approval in the next fiscal year or in any future fiscal year. Pursuant to Section 16, subsection 3 of the bill, 50 percent of the credits that are authorized for productions through the Las Vegas Media Campus Project or the Summerlin Production Studios Project, but which are not approved for a qualified production by GOED, may be carried forward and made available for approval **only** in the next fiscal year.

(11) Pursuant to Section 16, subsection 1, paragraph (c) of Senate Bill 496, the Office of Economic Development may not approve any application for film infrastructure transferable tax credits for an application submitted by a production company located at the Las Vegas Media Campus Project or the Summerlin Production Studios Project in a fiscal year that begins more than 20 years after the Las Vegas Media Campus satisfies the requirement for \$200 million in capital investment, which must occur by December 31, 2027, as required in Section 10, subsection 1, paragraph (a), subparagraph (1), sub-subparagraph (I). As indicated in Note 4, Table 1 assumes that this requirement will be met on that date, which means that the final fiscal year where credits under either project may be approved is Fiscal Year 2048 (which begins on July 1, 2047).