

September 28, 2018

The Honorable Brian Sandoval
Office of the Governor
One Hundred One North Carson Street
Carson City, Nevada 89701

Mr. Richard Combs, Director
Legislative Counsel Bureau
401 South Carson Street
Carson City, Nevada 89701

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

Gentlemen:

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,



Derek Armstrong
Deputy Director

cc: Paul Anderson

Annual Report
For the Nevada Film Office

Pursuant to NRS 360.759
(FY 2018)

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 ten applications submitted for transferable tax credits pursuant to NRS 360.759 during the fiscal year 2018.**
2. The number of qualified productions for which transferable tax credits were approved: **Ten productions qualified and were approved for transferable tax credits during the fiscal year 2018.**
3. The amount of transferable tax credits approved: **The total amount of transferable tax credits approved for the fiscal year 2018 was \$5,197,490.**
4. The amount of transferable tax credits used: **For the fiscal year 2018, including prior year balance carryforwards, there were \$0 transferable tax credits used.**
5. The amount of transferable tax credits transferred: **During the fiscal year ended 2018 there were \$0 of transferable tax credits transferred from productions to end user purchasers.**
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 \$0 for the fiscal year 2018, with \$0 used/redeemed and \$0 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 \$0 for the fiscal year 2018 of which \$0 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 2018, there were 0 persons employed at various times during productions and \$0 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: **Zero productions in Nevada redeemed credits during the fiscal year 2018.**

Note:

The original \$10 million in funding was issued in total to 10 productions. All credits have been issued and redeemed with the exception of Valleycrest Millionaire S-15. The additional \$10 million in funding that became available on July 1, 2017, has been applied for by 10 separate productions totaling \$5,197,490, leaving \$4,802,510 in unused funds to rollover to fiscal year 2019.

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, 2018																						
For the period January 1, 2014 to June 30, 2018																						
(In Accordance with NRS 360.7598)																						
	Sony Mall Cop 2	Lake Mead Drowned	GNG Untitled Project	CBS/KALEN In the Spotlight	Sin City Saints	HFP Corp The Trust	Scientific Games Monopoly 1A	Frank and Lola	Scientific Games Monopoly 1B	Valleycrest Millionaire - \$15	Smiley Face Killers	Valleycrest Millionaire - \$16	Mustang	Vegas Cakes Season 2	Humble TV LVCA	Valleycrest Millionaire - \$17	Global Genesis 7 Days Alive 1-6	Global Genesis 7 Days Alive 7-12	Global Genesis 7 Days Alive 13-18	Global Genesis 7 Days Alive 19-24	Total	
Number of applications submitted for the transferable tax credits	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	20	
Number of qualified productions for which the transferable tax credits were approved	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	20	
The amount of the transferable tax credits approved	\$ 4,383,987	\$ 257,291	\$ 296,954	\$ 102,913	\$ 871,339	\$ 792,793	\$ 3,433,685	\$ 240,581	\$ 1,514,516	\$ 386,173	\$ 257,323	\$ 1,183,067	\$ 818,830	\$ 197,141	\$ 162,521	\$ 1,154,760	\$ 355,962	\$ 355,962	\$ 355,962	\$ 355,962	\$ 17,477,722	
The amount of the transferable tax credits used	\$ 3,230,371	\$ 186,484	\$ 259,235	\$ 102,913	\$ 871,339	\$ 567,172	\$ 3,193,172	\$ 147,915	\$ 1,055,226												\$ 9,613,827	
The amount of the transferable tax credits transferred	\$ 3,230,371	\$ 186,484	\$ 259,235	\$ 102,913	\$ 871,339	\$ 567,172	\$ 3,193,172	\$ 147,915	\$ 1,055,226												\$ 9,613,827	
Declared tax type for tax credit	Gaming	Gaming	Gaming	MBT	Gaming	Gaming	Gaming	Gaming	Gaming													
The amount of transferable tax credits taken against each allowable fee or tax	\$ 3,230,371	\$ 186,484	\$ 259,235	\$ 102,913	\$ 871,339	\$ 567,172	\$ 3,193,172	\$ 147,915	\$ 1,055,226												\$ 9,613,827	
The amount redeemed for each production	\$ 3,230,371	\$ 186,484	\$ 259,235	\$ 102,913	\$ 871,339	\$ 567,172	\$ 3,193,172	\$ 147,915	\$ 1,055,226												\$ 9,613,827	
The amount outstanding for each production	-	-	-	-	-	-	-	-	-												-	
The total amount of the qualified expenses and production costs incurred by each production	\$ 34,466,891	\$ 1,883,787	\$ 2,205,298	\$ 1,285,536	\$ 8,190,404	\$ 4,965,625	\$ 34,031,632	\$ 1,860,439	\$ 10,344,020												\$ 99,233,632	
The total amount of qualified expenses and production costs incurred by each production in Nevada	\$ 26,713,418	\$ 1,363,328	\$ 1,629,800	\$ 829,979	\$ 6,215,627	\$ 3,453,819	\$ 22,031,285	\$ 1,110,997	\$ 7,376,435												\$ 70,724,688	
The number of persons in Nevada employed by each qualified production (NV residents and non-residents working in NV)	1,171	122	239	109	938	453	158	260	141												3,591	
The amount of wages paid to those persons (resident and non-resident incurred in NV)	\$ 20,473,050	\$ 942,395	\$ 1,132,823	\$ 570,698	\$ 4,775,922	\$ 3,416,490	\$ 1,204,543	\$ 799,937	\$ 2,005,186												\$ 35,321,044	
The period during which each qualified production was in Nevada and employed persons in Nevada	January 2014 to March 2015	March 2014 to May 2015	February 2014 to April 2015	February 2014 to October 2014	August 2014 to March 2015	September 2014 to November 2015	September 2014 to December 2015	November 2014 to September 2015	July 2015 to December 2016													

NOTE:
The original \$10 million in funding was issued in total to 10 productions. All credits have been issued and redeemed with the exception of Valleycrest Millionaire 5-15. The additional \$10 million in funding that became available on July 1, 2017, has been applied for by 10 separate productions totalling \$5,197,490, leaving \$4,802,510 in unused funds to rollover to fiscal year 2019.

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, 2018

For the period July 1, 2017 to June 30, 2018
 (In Accordance with NRS 360.7598)

	Valleycrest Millionaire - \$15	Smiley Face Killers	Valleycrest Millionaire - \$16	Mustang	Vegas Cakes Season 2	Humble TV LVCVA	Valleycrest Millionaire - \$17	Global Genesis 7 Days Alive 1-6	Global Genesis 7 Days Alive 7-12	Global Genesis 7 Days Alive 13-18	Global Genesis 7 Days Alive 19-24	Total
Number of applications submitted for the transferable tax credits		1	1	1	1	1	1	1	1	1	1	10
Number of qualified productions for which the transferable tax credits were approved		1	1	1	1	1	1	1	1	1	1	10
The amount of the transferable tax credits approved	\$ 257,323	\$ 1,183,067	\$ 818,830	\$ 197,141	\$ 162,521	\$ 1,154,760	\$ 355,962	\$ 355,962	\$ 355,962	\$ 355,962	\$ 5,197,490	
The amount of the transferable tax credits used												\$ -
The amount of the transferable tax credits transferred												\$ -
Declared tax type for tax credit												
The amount of transferable tax credits taken against each allowable fee or tax												\$ -
The amount redeemed for each production												\$ -
The amount outstanding for each production	-	-	-	-	-	-	-	-	-	-	-	-
The total amount of the qualified expenses and production costs incurred by each production												\$ -
The total amount of qualified expenses and production costs incurred by each production in Nevada												\$ -
The number of persons in Nevada employed by each qualified production (NV residents and non-residents working in NV)												-
The amount of wages paid to those persons (resident and non-resident incurred in NV)												\$ -
The period during which each qualified production was in Nevada and employed persons in Nevada												

NOTE:
 During fiscal year 2018, \$10 million in funding was made available to the program. Ten productions applied and were approved for the transferable tax credit certificate of eligibility. No productions were issued or redeemed a final credit.