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EDITORIAL: Film tax credit proving its worth Media Production is One of Few Areas of Growth As State Loses Thousands of Jobs.

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By New Haven Register

With the state looking at ways to save, film production and infrastructure tax credits have come under attack from both budget cutters and advocacy groups that want the money for human services.

However, cutting the tax credits is an extraordinarily bad idea in a state that has lost 58,000 jobs in this recession. Film, television and digital media productions, which are covered by the tax credit, have added 2,000 jobs in the state since the credit went into effect in 2006, says the Connecticut Production Coalition, made up of the state's media producers.

Even if critics doubt those job numbers, they cannot dispute that the production credit continues to play an important role in attracting new enterprises to the state.

This year, NBC Universal decided to shift 150 jobs to Stamford along with production of television shows, including "Maury" and "The Jerry Springer Show." Stamford is already the home of World Wrestling Entertainment Inc. and Comcast's Versus channel.

Attracted by the tax credits, Blue Sky Studios, producer of the "Ice Age" movies, moved in January to Greenwich. Blue Sky employs 300 workers.

Construction is expected to start this summer on a \$90 million film studio in South Windsor, where there will be more than 100 permanent jobs and as many as 1,500 production jobs.

NBC Universal and a production partner this month announced that the TV game show "Deal or No Deal" would move this summer from Los Angeles to the studios of Sonalysts Inc. in Waterford.

High-profile feature films attracted to the state by the tax credits, with stars such as Robert DeNiro, Harrison Ford and Al Pacino, have received most of the publicity. But, the construction of permanent studios for film, television and digital media will have a more lasting economic impact.

Unfortunately, talk of limiting or ending the credits will harm efforts to attract more jobs, studios and movies to the state.

The economic impact of the credit deserves careful study. However, it is still too new to fully assess. Studies done this year of similar credits found that for each dollar in waived taxes, New York received \$1.90 in tax revenue, and New Mexico, \$1.50. What is certain is that the film production and infrastructure credits have created jobs Connecticut cannot afford to lose.