James K Los Angeles LD 1075

I'm based in Los Angeles, but had the opportunity to direct a film in Maine last summer. Unless you change the current film incentive, I'd advise any other Hollywood filmmaker to go to Nova Scotia instead.

Don't misunderstand: I loved Maine. The people are wonderful, the land is gorgeous, and the communities are heartwarming, but the state of Maine is not film friendly.

We spent about \$800K on the production in Maine, but a large chunk of that went to crew we had to bring in from out-of-state, and our equipment was all from Boston or New York City. It got so difficult to film in Maine, I had to stop and finish the film in Los Angeles. Had there been infrastructure for film, I could have spent at least \$300K more in Maine.

As it was, we received a rebate of roughly \$35,000, because that was 10% of our payroll (Gwen at Maine Revenue was wonderful). We didn't get anything for our production spend, and we couldn't take advantage of the 5% tax credit, because my company didn't earn anything in Maine. Additionally, that tax credit is non-transferable, which makes it completely worthless to anyone from out of state. What's worse is that the 10% payroll rebate is actually less than the 12% payroll tax we had to pay.

Had I filmed in Nova Scotia, I could have spent the entire \$800k there and gotten close to 40% back, which is \$320,000 - more than nine times what I got back from Maine. It's not even a comparison. There is no economic reason to film in Maine.

Despite how difficult the state makes it, I was very fortunate. The lobstering community really supported my film, donating their time and boats. They gave my film the authenticity that it needed. But the next Hollywood film can't count on help from the community. The next film is going to worry about the bottom line - and the bigger the budget of the film, the more risk-averse the producers are. Nobody is going to come and make a \$100 million film in Maine, but they will in Nova Scotia, or Massachusetts or Georgia or Louisiana.

I would love to come back and make another film in Maine, but it will probably never happen, because my investors would like a bigger safety net.