

Money draws film shoots to the area
State tax break entices film crews to roll in Capital Region

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It wasn't the Capital Region's photogenic scenery and architecture that lured Angelina Jolie or "The Other Guys" to downtown Albany. They came for a hefty tax break.

Industry observers, along with state and local officials, say the Capital Region's recent popularity with movie crews is the direct result of New York's decision last year to triple the rebate offered to filmmakers who shoot in state -- a move that made this area a very affordable place to shoot.

"If they discontinued the tax credits, you're not going to see films shoot up here," said Christina Vinsick, a Kingston filmmaker who recently shot "Whisper Me a Lullabye," her yet-to-be-released film, in parts of Greene County and elsewhere in the Hudson Valley.

Some question why the state needs to subsidize the multibillion dollar film and television business, especially when it is looking to cut costs elsewhere. Yet the New York credit is not unique, as dozens of states also offer rebates.

In fact, it was increased competition from other states that convinced New York officials to sweeten the pot.

The state program -- with a budget this year of \$350 million -- now offers a 30 percent rebate on a film's or TV show's "below-the-line costs," which include most everything save the salaries paid to the actors and writers. The credit is applied to a movie company's state tax return.

Critics said the enhanced credit would have few benefits upstate. But the recent spate of movies filmed in the Capital Region and other upstate locales seems to belie the claim.

Mitchell Moss, a New York University professor who follows the film industry, believes the Hudson Valley and Capital Region are uniquely positioned to benefit from the tax credit, because of their proximity to New York City production studios. The Capital Region, he said, "has urban environments near beautiful countryside, and that's

part of its appeal."

At least three major films have arrived in the Capital Region since the state enhanced the rebate.

"Taking Woodstock" a current release, was filmed last year in Rensselaer and Columbia Counties. This year, both "Salt," the Angelina Jolie film, and "The Other Guys," a action-comedy starring Mark Wahlberg and Will Ferrell, shot in downtown Albany.

For Pat Swinney Kaufman, executive director of the Governor's Office for Motion Picture and Television Development, the credit's effectiveness at drawing film crews to the Capital Region is obvious.

Larger film crews didn't come here in the 15 years before the enhanced credit, she said, and now they do.

Kaufman -- citing a state-sponsored study showing that every dollar of the credit brings five dollars in spending and nearly \$2 of tax revenue -- believes film crews directly benefit a local economy by spending on necessities from hotel rooms to car rentals.

"It creates jobs at a time when jobs are evaporating," she said.

But others question whether the tax breaks are justifiable.

Cornell University professor Susan Christopherson has studied movie production tax breaks in several states and, contradicting the state's statistics, has found they never generate enough sales and other tax revenue to cover their costs.

Christopherson noted that New York's tax break is structured to benefit big studio movies over locally produced independent films, because it requires the use of production facilities that some smaller filmmakers can't afford.

"We should be doing more to support local talent, rather than providing subsidies to big movie studios," Christopherson said.

Still, supporters of the tax credit say it provides longer-term benefits that short-term economic studies miss, like boosting tourism or providing far-away viewers with a better understanding of New York.

Debby Goedeke of the Capital-Saratoga Film Commission said the tax credit has been a very important tool for bringing film crews here. But she said there are other reasons why they're pleased to come, including the scenery, cooperative local governments and the ease of shooting on less-crowded streets.

"We make it very easy for them here," she said.

Vinsick, the filmmaker in Kingston, said she would have shot her movie upstate without the enhanced credit, and she wasn't even sure she would take advantage of it. She wanted authentic Hudson Valley scenery, she said, but noted that most filmmakers have very different priorities.

"Especially in this economic climate, cost is the number one factor in a producer's mind," Vinsick said. "For multi-million dollar movies, those tax credits represent a lot of money."

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