Musicians Applaud AB 1199 as Positive Step Forward for Improving CA's Film & TV Tax Credit Program

LOS ANGELES, CA (MARCH 30, 2015) — Thousands of California musicians suffering from the effects of runaway production are encouraged by a new bill that aims to close loopholes relating to music scoring in the California Film and Television Job Retention Act.

AB 1199, authored by Assemblymember Adrin Nazarian, introduces language that would for the first time require a specified amount of the total expenditures relating to music post-production be done in California in order for a production to qualify for an added rebate. Musicians applaud this preliminary language as a significant step in the right direction, and are optimistic that further development of the bill will continue to improve upon the existing tax credit program as it relates to music scoring in California.

These initial proposals come as a result of significant inroads made by members of the American Federation of Musicians Local 47, the labor union representing more than 7,000 Los Angeles musicians. The Local 47 political committee, which includes President John Acosta and rank-and-file members, has been working with Los Angeles Mayor Eric Garcetti's office and local legislators including Assemblymember Nazarian to continue efforts to amend California's Film & Television Tax Credit Program in conjunction with the interests of musicians in the state.

Amended last September by AB 1839, the existing tax incentive program—which awards \$300 million annually—offers a 20% credit on qualified expenses up to \$100 million for feature films and television shows and a 25% credit for relocated TV series and independent films. The law allows for an additional 5% credit of qualified expenditures when an unspecified portion of the music scoring and music-track recording by musicians is done in California. AB 1199 would for the first time require that a minimum of 75%, or an expenditure of \$100,000, for music scoring and track-recording be done in state for productions to qualify for the added credit, similar to a requirement for visual effects implemented by AB 1839.

While the current program does include an added bonus for post-production work done in-state, it does not make doing this work in California a requirement, and productions still receive significant credits even if all post-production is done out of state. Musicians are happy that AB 1199 furthers continued efforts to ensure those production companies that benefit from California's \$300-million annual tax credit program are made accountable to hold professional musicians to the same industry standard as actors, writers, directors, grips, carpenters, drivers and other industry workers.

"The magic of movies is remembered by the music," says Assemblymember Nazarian. "When 'Jaws' roars onto the screen, it's the music that flutters your heart. We need to support our homegrown talent in Los Angeles. This tax credit will ensure the creation and production of our musical magic remains and thrives in Los Angeles."

AB 1199 is endorsed by all AFM Locals in California through the California Conference, which comprises Los Angeles Local 47, Long Beach Local 353, Santa Barbara Local 308, Orange County Local 7, San Diego Local 325, San Francisco Local 6, Sacramento Local 12, Richmond Local 424, Santa Rosa Local 292, and Stockton Local 189.

About AFM Local 47 - Local 47 is a labor organization formed by and for musicians over a century ago that promotes and protects the concerns of over 7,000 musicians throughout the greater Los Angeles area in all facets of the music business. Local 47 is affiliated with the American Federation of Musicians of the United States and Canada, the largest organization in the world representing the interests of 85,000 professional musicians.