

## History of Film Incentives in South Carolina Revised 10/10/2022



**2004:** H \*4968 provided a limited exemption from state and local sales taxes for a motion picture production company. Items included all supplies, technical equipment, machinery, and electricity sold to motion picture companies. Tax was due on the purchase, lease or rental of items not specifically covered by the exemption.

Signed into law by Governor Sanford on August 16, 2004.

[http://www.scstatehouse.gov/sess115\\_2003-2004/bills/4968.htm](http://www.scstatehouse.gov/sess115_2003-2004/bills/4968.htm) First Film Incentives Act. Put together by Burnie Maybank and Jeff Monks, former Film Commissioner.

**Qualified productions recruited that fiscal year: 0**

**2005:** H \*3152 provided exemption from sales, use and accommodations tax to a motion picture production company that intends to expend in the aggregate \$250,000 or more in connection with the filming or production of one or more motion pictures in the state of SC within a consecutive 12 month period.

It also provided up to 15% rebate for the employment of persons subject to SC withholdings when total production costs in the state equal or exceed \$1MM during the taxable year. The rebate applies to all crew, cast and extras earning less than \$1MM and are subject to SC withholdings tax, and up to 15% rebate on SC goods and services for qualified motion pictures, videos, television series or commercials.

Signed into law by Governor Sanford on May 5, 2005. Burnie Maybank and Jeff Monks, former Film Commissioner.

[http://www.scstatehouse.gov/sess116\\_2005-2006/bills/3152.htm](http://www.scstatehouse.gov/sess116_2005-2006/bills/3152.htm)

**Qualified productions recruited that fiscal year: 1** (“Walker Payne”)

**Non-Qualified productions recruited that fiscal year: 1** (“Two Tickets to Paradise” (portion)

**2006:** To make the incentives more competitive, a proviso was introduced to increase rebates to 20% on wages and 30% on supplies. Went into effect July 1, 2006. (similar proviso each year since) Burnie and Jeff.

**27.28.** (CMRC: Motion Picture Rebate) From the amount set aside pursuant to Section 12-62-50, the South Carolina Film Commission may rebate to a motion picture production company, up to twenty percent of the total aggregate South Carolina payroll for persons subject to South Carolina income tax withholdings employed in connection with the production. From the amount set

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aside pursuant to Section 12-62-60, the South Carolina Film Commission may rebate to a motion picture production company up to thirty percent of the expenditures made by the motion picture production company in the State. Motion picture production companies that have previously been approved at the lower percentages may reapply for the higher percentages only if the project that was approved is still in production in South Carolina as of the effective date of this proviso.

**Qualified productions recruited that fiscal year: 10** (“Leatherheads,” “Asylum,” “The Strangers,” “Who’s Your Caddy?” “Army Wives – Pilot,” “Death Sentence,” “Reinventing the Wheelers – Pilot,” “Taking Chances,” “Gospel Hill”)

**Non-Qualified productions recruited that fiscal year: 1** (“Me & You, Us, Forever”)

**2007:** Dept. of Commerce cuts back wage incentives to 10% for out-of-state hires with a \$3,500 per person cap. “Army Wives” was allowed to stay at 20% for all wages. Went into effect July 1, 2007.

**New qualified productions recruited that fiscal year: 2** (“The New Daughter,” “Nailed”)

**New Non-qualified productions recruited that fiscal year: 1** (“Gospel Hill”)

**Renewed qualified productions: 1** (“Army Wives” – Season 1)

**2008:** No changes to Film Incentives.

Film Commission Transferred to PRT under Director, Chad Prosser. **Eliminated 1 position**

**New qualified productions recruited that fiscal year: 1** (“Dear John”)

**New non-qualified productions recruited that fiscal year: 1** (“Accidental Love”);

**Renewed qualified productions: 1** (“Army Wives” was renewed for Season 2)

**2009:** No changes to Film Incentives. **Eliminated 3 positions in Film Office, including the Film Commissioner, Jeff Monks.**

**New qualified productions recruited this fiscal year: 2** (“Angel Camouflaged”)

**New non-qualified productions recruited this fiscal year: 1** (“The Afflicted”, “Southern Fried Stings” – Pilot).

**Renewed qualified productions: 1** (“Army Wives” was renewed for Season 3)

**2010:** No changes to Film Incentives.

**Duane Parrish becomes Director of SCPRT. \$1.5M of Film Commission funds given to Conservation Bank.**

**New qualified productions recruited this fiscal year: 2** (“Little Red Wagon”, “The Bay”).

**Renewed qualified productions: 1** (“Army Wives” was renewed for season 4)

**Renewed non-qualified productions: 1** (“Southern Fried Stings” Seasons 1 & 2)

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**2011:** PRT began paying Film Commission salaries and expenses from Film Rebate funds. CFA is asked to lobby for the SC Film Commission – quietly.

**New qualified productions recruited this fiscal year: 0**

**New non-qualified productions recruited this fiscal year: 2** (“East Bound and Down” – portion, “Crackerjack” – portion, “Scammed”)

**Renewed qualified productions: 1** (“Army Wives” renewed for season 5)

**2012:** No changes to Film Incentives.

**New qualified productions recruited this fiscal year: 0**

**New non-qualified productions recruited this fiscal year: 1** (“Banshee” Season 1 – portion, “Midnight Cabaret”)

**Renewed qualified productions: 1** (“Army Wives” renewed for season 6)

**2013:** S.0163 & H.3357 Wage Rebates of 25% for residents of South Carolina, 20% for out of state residents. Supplier Rebates of 30% for SC expenditures. Signed by the governor on May 8, 2013. Sponsors: Senator Paul Campbell and Representative Phyliss Henderson.

[http://www.scstatehouse.gov/query.php?search=DOC&searchtext=S.0163&category=LEGISLATION&session=120&conid=8812567&result\\_pos=0&keyval=1200163&numrows=10](http://www.scstatehouse.gov/query.php?search=DOC&searchtext=S.0163&category=LEGISLATION&session=120&conid=8812567&result_pos=0&keyval=1200163&numrows=10)

[http://www.scstatehouse.gov/query.php?search=DOC&searchtext=H%203357&category=LEGISLATION&session=120&conid=8812601&result\\_pos=0&keyval=1203357&numrows=10](http://www.scstatehouse.gov/query.php?search=DOC&searchtext=H%203357&category=LEGISLATION&session=120&conid=8812601&result_pos=0&keyval=1203357&numrows=10)

To counter-act S.0163 and H. 3357, PRT passed Proviso 49.9 (PRT: Destination Specific, Tourism and Marketing Transfer) allowing PRT to use unexpended Wage Rebate film funds carried forward for DST Program. Any Wage Rebate funds not used for DST could be used for Welcome Center and Parks Maintenance and improvements.

[https://www.scstatehouse.gov/query.php?search=DOC&searchtext=49.9&category=BUDGET&year=2013&version\\_id=7&return\\_page=&version\\_title=Appropriation%20Act&conid=9875084&result\\_pos=0&keyval=28284&numrows=10](https://www.scstatehouse.gov/query.php?search=DOC&searchtext=49.9&category=BUDGET&year=2013&version_id=7&return_page=&version_title=Appropriation%20Act&conid=9875084&result_pos=0&keyval=28284&numrows=10)

**New qualified productions recruited this fiscal year: 2** (“Reckless” Pilot and first Season,

**Renewed qualified productions: 1** (“Army Wives” Season 7)

**Renewed non-qualified productions:** (“Elbow Grease”, “Banshee Season 2 - portion)

**2014:** Proviso 49.8 requested by PRT that un-committed film rebate funds must be used for deferred maintenance and capital projects on State Parks and Welcome Centers. Creation by SCPRT of the “separate and distinct fund” which sent film rebate funds from SCDOR directly to SCPRT.

[http://www.scstatehouse.gov/query.php?search=DOC&searchtext=49.8&category=BUDGET&year=2014&version\\_id=7&return\\_page=&version\\_title=Appropriation%20Act&conid=8813019&result\\_pos=0&keyval=30078&numrows=10](http://www.scstatehouse.gov/query.php?search=DOC&searchtext=49.8&category=BUDGET&year=2014&version_id=7&return_page=&version_title=Appropriation%20Act&conid=8813019&result_pos=0&keyval=30078&numrows=10)

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**New qualified productions recruited this fiscal year: 5** (“The Inspectors” pilot, “Outcast” pilot, “South of Hell” Season 1, “Identity” pilot, “Ivy League Farmer”)

**New non-qualified productions:** (“Tinker”, “All She Wishes”, “Magic Mike XXL”).

**Renewed qualified productions: 0**

**2015:** Proviso 49.8 was changed from MUST to MAY be used (Dir. Parrish told CFA he really wanted the funds to go to the Film Commission and this change would help him do that. (This was a misstatement).

[http://www.scstatehouse.gov/query.php?search=DOC&searchtext=49.8&category=BUDGET&year=2015&version\\_id=7&return\\_page=&version\\_title=Appropriation%20Act&conid=8813010&result\\_pos=0&keyval=32146&numrows=10](http://www.scstatehouse.gov/query.php?search=DOC&searchtext=49.8&category=BUDGET&year=2015&version_id=7&return_page=&version_title=Appropriation%20Act&conid=8813010&result_pos=0&keyval=32146&numrows=10)

**New qualified productions recruited in this fiscal year: 3** (“Sophie and the Rising Sun”, “Megan Levy”, “Vice Principals.”)

**New non-qualified productions:** 1 (“The Suicide Note”)

**Renewed qualified productions: 2** (“Outcast” season 2, “The Inspectors” season 1)

**2016:** Proviso 49.17 (Now called 49.15) allows Film Commission to rebate without distinction of source. This was extremely helpful.

[http://www.scstatehouse.gov/query.php?search=DOC&searchtext=49.17&category=BUDGET&year=2016&version\\_id=7&return\\_page=&version\\_title=Appropriation%20Act&conid=8813011&result\\_pos=0&keyval=35197&numrows=10](http://www.scstatehouse.gov/query.php?search=DOC&searchtext=49.17&category=BUDGET&year=2016&version_id=7&return_page=&version_title=Appropriation%20Act&conid=8813011&result_pos=0&keyval=35197&numrows=10)

**New qualified productions recruited in this fiscal year: 4** (“We Love You”, “Naked”, “The Death of Eva Marie Valdez”, “The Sinner” pilot)

**New non-qualified productions: 1** (“Faith’s Song”)

**Renewed qualified productions: 2** (“The Inspectors” season 2, “Outcast” season 2)

**2017:** No changes to Film Incentives.

**New Qualified Productions recruited in this fiscal year: 2** (“Mr. Mercedes” Season 1)

**New non-qualified productions: 1** (“Another Tango”)

**Renewed qualified productions: 1** (“The Inspectors” season 3 and 4)

**2018:** No changes to Film Incentives

**New Qualified Productions recruited in this fiscal year: 3** (“Conrad and Michelle” feature film, “The Righteous Gemstones” – pilot, “Salvage” pilot, “Halloween” – feature film).

**New non-qualified productions: 2** (“The Old Man and the Pond”, “Pride and Prejudice, Cut”)

**Renewed Qualified Productions: 1** (“Mr. Mercedes” Season 2)

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**2019: 49.4.** (PRT: Film Marketing) From the funds authorized to the Department of Parks, Recreation and Tourism in Section 49, Part IA of this act for the South Carolina Film Commission, the department may use the film marketing funds for the following purposes: (1) to allow for assistance with recruitment and infrastructure development of the film industry; (2) to develop a film crew base; (3) to develop ally support in the film industry; (4) marketing and special events; and (5) to allow for assistance with the auditing and legal service expenses associated with the Motion Picture Incentive Act.

**49.8.** (PRT: Wage and Supplier Rebate Funds) From the funds set aside pursuant to the Motion Picture Incentive Act, any funds committed to film projects shall be carried forward from the prior fiscal year and used for the same purpose. Any uncommitted funds shall be carried forward from the prior fiscal year and must be used solely for wage and supplier rebate funds pursuant to the Motion Picture Incentive Act and may not be used for any other purpose.

**New Qualified Productions recruited this fiscal year:** (“Outer Banks” Pilot and Season 1)

**Renewed Qualified Productions recruited in this fiscal year:** (“The Righteous Gemstones” Season 1, “Mr. Mercedes” Season 3)

**New non-qualified productions:** 2 (“Safety”, “Accidentally In Love”)

**2020:** Chairman of House Oversight Committee, Weston Newton ordered SCPRT to repay \$3.2M “borrowed” from Film Commission for beach renourishment.

**New Qualified Productions recruited this fiscal year:** 0 COVID

**Renewed Qualified Productions recruited in this fiscal year:** “Outer Banks” Season Two, “Righteous Gemstones” Season Two (partial – COVID)

**New non-qualified productions:** “Haunted Trail,” “That Feeling,” feature films.

**2021:** Senate approved \$15M in non-recurring funds for the SC Film Commission.

**New Qualified Productions recruited this fiscal year:** “Harvest Moon,” feature film

**Renewed Qualified Productions recruited this fiscal year:** “Righteous Gemstones,” Season 2

**New non-qualified productions:** “Oak on the Outside;” “Gospel of Ted,” feature films.

**2022:** House approved \$7M in non-recurring funds for the SC Film Commission. SCDOR moved Loan Outs from Wage to Supplier Rebates.

**New Qualified Productions recruited this fiscal year:** “Girl Friendship,” Hallmark Films; “Suncoast,” feature; “The Engagement Plan,” feature.

**Renewed Qualified Productions recruited this fiscal year:** “Righteous Gemstones,” Season Three, “Outer Banks,” Season Three

**New non-qualified productions:** “Leva Land,” Bravo; “Bull Street”