



**SUSTAINABLE
STUDIOS**



New Jersey Motion Picture & Television Commission Tax Credit

30-35% TAX CREDIT, +2% or 4% DIVERSITY BONUS

- Qualified production companies can receive a transferable tax credit equal to 35% for qualified cast and crew salaries. This includes ATL/BTL, resident and non-resident employees. 30% for purchases and rentals used within the 30 mile radius of Columbus Circle in NYC, and 35% for purchases, rentals and services used outside the 30 mile radius of Columbus Circle in NYC. *Sustainable Studios is 5.42 miles from Columbus Circle.*
- To qualify on any individual project, a production company must incur at least 60% of total film production expenses in-state (exclusive of postproduction costs) or incur more than \$1 million in qualified production expenses in single privilege period.
- A production company must begin principal photography within 180 days of the New Jersey Economic Development Authority's receipt of a completed tax credit application.
- Employers must withhold 6.37% New Jersey Gross Income Tax for employees working in the state and 6.37% from each payment to a loan out company or independent contractor. Loan out companies and independent contractors must be registered to do business in New Jersey.
- Excluded are payments in excess of \$500,000 made to highly compensated individuals for costs of a story, script, or scenario used in the production of a film; and for wages or salaries or other compensation for writers, directors, including music directors, producers, and performers.
- Payments to vendors will be qualified only if said vendors are fully registered to do business in New Jersey and have obtained a New Jersey tax identification number and can obtain a Business Registration Certificate from the portal below:
https://www1.state.nj.us/TYTR_BRC/jsp/BRCLoginJsp.jsp
- Reality television shows qualify for tax credits only if the production company producing the show has owned or leased a production facility of at least 20,000 sq. ft. for a minimum of 24 months, and has invested at least \$3 million in the facility, which must be located in a designated urban enterprise zone.

- Production companies can receive an additional credit of either 2% or 4% percent of the qualified film production expenses depending on the goals included in a provided diversity plan; the plan is approved; and the New Jersey Economic Development Authority has verified that the applicant has met or made good faith efforts in achieving the goals stated within the diversity plan. o The program has an annual cap of \$100 million per fiscal year (July 1- June 30) through June 30, 2034.
- A production company's New Jersey production costs, and in some cases total production costs, must be certified by a New Jersey licensed CPA.

The Film Tax Credit Application Is Available Online

- [Download NJ Tax Credit Program for Film and Digital Media - Full Law](#)
- [Download Highlights of Tax Credit Program for Filmmakers](#)
- [Download Frequently Asked Questions - New Jersey Economic Development Authority](#)
- [Link To Frequently Asked Questions - New Jersey Division of Taxation](#)
- [Application Forms and Additional Information](#)
- [Agreed Upon Procedures for CPA Verification Report](#)

Click here for more information about forming or checking the status of a business in New Jersey. <https://www.nj.gov/njfilm/regulations-registering.shtml>

FOR ADDITIONAL INFORMATION CONTACT: New Jersey Motion Picture & Television Commission (973) 648-6279 www.film.nj.gov njfilm@sos.nj.gov