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New Mexico Raises Annual Cap on Refundable Film and TV Tax Credit

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New Mexico, which has long been a destination for Hollywood film and TV production, recently more than doubled its annual cap on its 25% to 30% refundable tax credit – from \$50 million to \$110 million. The state is now poised to lure even more business.

Specifically, New Mexico offers a 30% refundable tax credit on qualifying TV projects, and a 25% refundable tax credit on film projects. A similar 25% refundable tax credit applies to standalone post-production projects. As defined by the state, the production tax credit is meant for production companies that have direct production and direct post-production expenditures that are

subject to taxation by the State of New Mexico.

One of the most significant developments in the history of New Mexico filmmaking occurred last October, when Netflix announced it had chosen Albuquerque Studios, the state's largest soundstage complex, as its new production hub and was buying the entire property – which includes stages, offices and a backlot. Netflix said it expected to spend \$100 million every year on production in New Mexico for the next 10 years.

Projects recently shot in New Mexico include “*The Goldfinch*” (2019), “*Roswell, New Mexico*” (2019 to present), “*The Mule*” (2018), “*Creed II*” (2018), “*The Ballad of Buster Scruggs*” (2018), “*Sicario: Day of the Soldado*” (2018), “*12 Strong*” (2018), “*Godless*” (2017), “*Logan*” (2017), “*Preacher*” (2016 to present) and “*Better Call Saul*” (2015 to present).

Information courtesy of the Production Incentives team at Entertainment Partners.