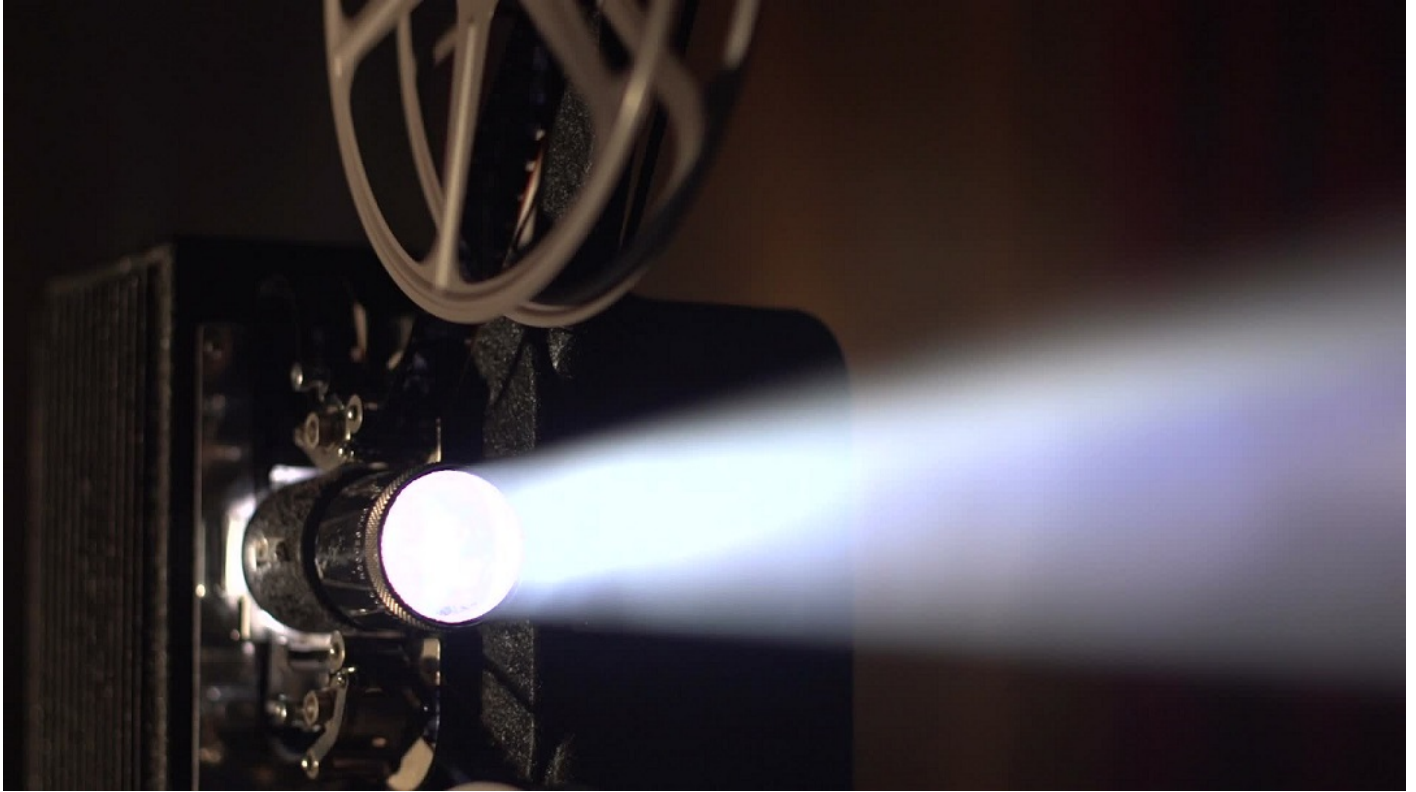




Film Tax Credits: Facts and Fiction

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By: *Patrick Tuohey*

Over the weekend, the [St. Louis Post Dispatch](#) published a piece about yet another Missouri-based television program that is being filmed in Georgia. While some lament that Missouri has stopped offering tax credits to film makers, it remains the right decision.

The *Post-Dispatch* mentioned that many other states have also ended their film tax credit programs due to low returns on the investment. But the *Post* did manage to find one advocate in Kansas City:

Steph Scupham, director of the Kansas City Film Office, said the benefits of landing a project outweigh the costs.

"I don't know what's wrong with people coming in, doing business, spending money and leaving," she said, "especially when it also educates the people in our industry and gives our industry that is here more experience."

Indeed, nothing is wrong with "people coming in, doing business, spending money and leaving." What *is* wrong is taking precious tax dollars intended to support basic services like police and schools and giving them to private film companies. Not only is it wrong, it doesn't work.

A recent study from the [Beacon Center of Tennessee](#) found that "using available box office data, over 40 percent of films that receive grants made less at the box office than they received

in incentives.” That is a stunningly bad track record. Missouri’s own [Tax Credit Review Commission](#) wrote in their 2010 report that the film tax credit should be cut because it “serves too narrow of an industry and fails to provide a positive return on investment to the state.”

My colleague Patrick Ishmael [wrote exactly one year ago](#) that to the degree Georgia is underwriting a piece about the Ozarks, Missouri is coming out ahead. Thankfully, the *Post-Dispatch* makes clear there is no danger of reinstating such a film tax credit regime statewide. Kansas City ought to scrap its effort, too.

Tags:

- [Film Tax Credits](#)

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