



Colorado Film Legislation In State Code

COLORADO OFFICE OF FILM, TELEVISION AND MEDIA

24-48.5.201. Definitions. As used in this part 2, unless the context otherwise requires:

(1) “Film” means any visual or audiovisual work, including, without limitation, a video game OR A TELEVISION COMMERCIAL, that contains a series of related images, regardless of the medium by which the work is fixed and from which it can be viewed or reproduced, and that is primarily intended to be either:

- (a) Commercially exploited by being shown in theaters, OR ON television, licensed for the home market, or otherwise: or
- (b) For internal industrial, corporate, or institutional use.

(2) “Office” means the Colorado office of film, television, and media created pursuant to Section 24-48.5-202.

(3) “Production activities” means the shooting of a film, support activities related to such shooting, and any pre-shooting or post-shooting activities that commence on or after July 1 2009 and that are necessary to produce a finished film including but not limited to editing and the creation of sets, props, costumes, and special effects.

(4) “Production company” means a person, including a corporation or other business entity, that engages in production activities for the purpose of producing all or any portion of a film in Colorado.

(5) “Qualified local expenditure” means a payment made by a production company operating in Colorado to a business in Colorado in connection with the production of a film that the production company is producing in Colorado. “Qualified local expenditure” shall include, but need not be limited to:

- (a) Payments made in connection with developing or purchasing the story and scenario to be used for a film;
- (b) Payments made for the costs of set construction and operations, wardrobe, accessories, and related services;
- (c) Payments made for the costs of photography, sound synchronization, lighting, and related services;
- (d) Payments made for the costs of editing, post-production, music, and related services;
- (e) Payments made for the costs of renting facilities and equipment, including location fees, leasing vehicles, and providing food and lodging to people working on the film production;
- (f) Payments for airfare purchased through a Colorado-based travel agency or company;

(g) Payments for insurance and bonding purchased through a Colorado-based insurance agent; (h) Payments for other direct costs incurred by the film production company that are deemed appropriate by the office, AND

(i) PAYMENTS OF UP TO THREE MILLION DOLLARS PER EMPLOYEE OR CONTRACTOR, MADE BY A PRODUCTION COMPANY TO PAY THE SALARIES OF ACTORS, MANAGEMENT, AND CREW, WHO PARTICIPATE IN THE FILM PRODUCTION ACTIVITIES. IN ORDER FOR ANY SALARY TO BE CONSIDERED A QUALIFIED LOCAL EXPENDITURE, ALL COLORADO INCOME TAXES SHALL BE WITHHELD AND PAID EITHER BY THE PRODUCTION COMPANY OR THE INDIVIDUAL. ANY PAYMENTS IN EXCESS OF THREE MILLION DOLLARS PER EMPLOYEE OR CONTRACTOR SHALL BE EXCLUDED.

(6).

Source: 1. 2009: Entire part added, (HB 09-1010), ch. 419, p. 2326, § 1, effective July 1

24-48.5-202. Colorado office of film, television, and media creation.

(1) There is hereby created within the Colorado office of economic development the Colorado office of film, television, and media, the head of which shall be the director of the Colorado office of film, television, and media. The director of the office shall be assisted by a staff to fulfill the office's mission to promote Colorado as a location for making feature films, television shows, television commercials, still photography, music videos, and emerging mass media projects.

(2) The office shall:

(a) Market Colorado as a destination for making feature films, television shows, television commercials, still photography, music videos, and new media projects;

(b) Assist production companies that are interested in conducting production activities in Colorado in scouting appropriate locations in the state for the production company's film;

(c) Assist state and local government agencies and organizations in the creation of permitting criteria for production companies that plan to conduct production activities on state or local government property;

(d) Assist production companies in determining the appropriate state or local government agencies to contact to apply for a permit to conduct production activities on state or local government property; flue 24 page 845 Office of Economic Development 24-48.5-203

(e) Serve as a general liaison for production companies and assist in coordination efforts among production companies any state or local government agency, and local businesses and individuals before, during, and after the production company conducts production activities in Colorado;

(f) Serve as a resource for local governments and communities around Colorado when a production company approaches the local government or community regarding the possibility of conducting production activities on the property of the local government or within the community;

(g) Administer the performance-based incentive for film production in Colorado as specified in section 24-48 5-203,

(h) Conduct educational seminars to promote the film industry and people working in the film industry in Colorado; and

(i) Perform any other duties in furtherance of the office's mission as deemed necessary by the director of the office and the director of the office of economic development

Source: L 2009: Entire part added, (HB 09-1010), ch. 419, p. 2327, § 1, effective July 1 24-48.5-203. **Performance-based incentive for film production in Colorado .Colorado office of film, television, and media operational account cash fund .creation .repeal.**

(1) Subject to the provisions of this section, on or after July 1, 2009, any production company EMPLOYING A WORKFORCE FOR ANY IN-STATE PRODUCTION ACTIVITIES MADE UP OF AT LEAST TWENTY-FIVE PERCENT COLORADO RESIDENTS shall be allowed to claim a performance-based incentive in an amount as follows

(a) For a production company that originates the film production in Colorado, an amount equal to ten percent of the total amount of the production company's qualified local expenditures if the total of such expenditures equals or exceeds one hundred thousand dollars; and

(b) For a production company that does not originate the film production activities in Colorado, an amount equal to ten percent of the total amount of the production company's qualified local expenditures if the total of such expenditures equals or exceeds TWO HUNDRED FIFTY THOUSAND dollars.

(2)

(a) In order for a production company to claim a performance-based incentive for film production activities in Colorado pursuant to this section, the production company shall apply to the office, in a manner to be determined by the office, prior to beginning production activities in the state. The application shall include a statement of intent by the production company to produce a film in Colorado for which the production company will be eligible to receive the incentive. The production company shall submit, in conjunction with the application, any documentation necessary to demonstrate that the production company's projected qualified local expenditures will satisfy the expenditures specified in paragraph (a) or (b) of subsection (1) of this section, as applicable.

(b) The office shall review each application submitted by a production company before the production company begins work on a film in Colorado. Based on the information provided in the production company's application, the office shall make an initial determination of whether the production company will be eligible to receive a performance-based incentive and estimate the amount of the incentive that will be due to the production company. The office shall grant conditional written approval to every production company that, based on the information provided by the production company, will satisfy the requirements of this section and be eligible to claim an incentive.

(c) Upon completion of production activities in Colorado, a production company that received conditional approval for a performance-based incentive from the office shall submit financial documents to the office that detail the expenses incurred in the course of the film production activities in Colorado, along with a signed affidavit stating that the financial documents are an accurate accounting of the production company's qualified local expenditures. If the amount of the production company's actual qualified local expenditures EQUALS OR EXCEEDS THE MINIMUM TOTAL AMOUNT OF THE PRODUCTION COMPANY'S QUALIFIED LOCAL EXPENDITURES AS SPECIFIED IN SUBSECTION (1) OF THIS SECTION, the office shall issue an incentive to the production company.

(d) The office shall develop procedures for the administration of this section, including application guidelines for production companies applying to receive a performance-based incentive and for the office to issue payment of the incentives pursuant to this section.

(3) The office shall include data regarding the number of production companies that claimed the performance-based incentive pursuant to this section and the total amount of all incentives claimed during the most recent fiscal year for which such information is available in an annual report to the general assembly.

(4) There is hereby created in the state treasury the Colorado office of film, television, and media operational account cash fund, referred to in this section as the “fund”. The fund shall consist of:

- (a) (I) Moneys transferred to the fund as specified in section 24-46-105.8 (4) (a).
- (II) This paragraph (a) is repealed, effective January 1, 2010.
- (b) Moneys transferred to the fund in accordance with section 12-47.1-701 (4) (a) (V) (A), C.R.S.;
- (c) Any gifts, grants, or donations from private or public sources that the office is hereby authorized to seek and accept; and
- (d) Any moneys appropriated to the fund by the general assembly.

(5)

- (a) The moneys in the fund shall be continuously appropriated to the office for the operation of the office and for the performance-based incentive for film production in Colorado as specified in subsection (1) of this section.
- (b) The total amount of performance-based incentives that the office issues pursuant to this section in any fiscal year shall not exceed the amount appropriated to the office to be used for the purposes of this section in the applicable fiscal year. If the office receives applications for incentives that exceed the amount appropriated by the general assembly for the fiscal year, the office shall issue incentives to production companies in the order in which the commission received applications until the amount appropriated has been expended.
- (c) All moneys not expended or encumbered, and all interest earned on the investment or deposit of moneys in the fund, shall remain in the fund and shall not revert to the general fund at the end of any fiscal year.