

SB 286-FN - AS INTRODUCED

2025 SESSION

25-1080  
07/08

SENATE BILL        **286-FN**

AN ACT            creating the New Hampshire office of film and creative media.

SPONSORS:        Sen. Innis, Dist 7; Sen. Perkins Kwoka, Dist 21; Rep. Nelson, Rock. 13; Rep. Foote, Rock. 13

COMMITTEE:       Executive Departments and Administration

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ANALYSIS

This bill:

- I. Establishes an office of film and creative media within the department of business and economic affairs.
- II. Establishes business enterprise tax credits for qualifying film and motion picture companies.
- III. Appropriates funds to staff the office of film and creative media.

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Explanation:       Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears [~~in brackets and struckthrough.~~]  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Five*

AN ACT creating the New Hampshire office of film and creative media.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 1 New Section; Department of Business and Economic Affairs; Office of Film and Creative  
2 Media. Amend RSA 12-O by inserting after section 76 the following new section:

3 12-O:77 Office of Film and Creative Media.

4 I. There is established the office of film and creative media within the department of  
5 business and economic affairs. The office shall be under the supervision of a classified director of the  
6 office of film and creative media, who shall serve under the supervision of the commissioner. The  
7 director shall provide administrative oversight and ensure that the responsibilities of the office  
8 described in this section are fulfilled.

9 II. The office of film and creative media shall:

10 (a) Connect film and media industry organizations within New Hampshire.

11 (b) Act as a point of contact for production companies considering film and media  
12 production in New Hampshire.

13 (c) Provide information on tax incentives and tax programs to media companies who may  
14 wish to do business in New Hampshire.

15 (d) Maintain a database of New Hampshire film and media professionals, film crews,  
16 venues, and filming locations.

17 (e) Maintain a database of employment and internship opportunities in the film and  
18 creative media industry within New Hampshire.

19 (f) Encourage out of state production and media companies to film projects within New  
20 Hampshire.

21 (g) Highlight New Hampshire's business climate to the film and media industry.

22 III. Provided that any federally funded programs managed by the department of business  
23 and economic affairs on the effective date of this section shall continue to be managed by the  
24 department of business and economic affairs, the office of film and creative media may:

25 (a) Seek federal grants or loans.

26 (b) Seek private foundation partnerships.

27 (c) Seek to participate in federal programs.

28 (d) In accordance with applicable federal program guidelines, administer federally  
29 funded film and creative media programs.

30 2 New Subdivision; Film and Motion Picture Tax Credits. Amend RSA 77-E by inserting after  
31 section 14 the following new subdivision:

1 Film and Motion Picture Tax Credits

2 77-E:15 Definitions. For the purposes of this subdivision, "film and motion picture" means a  
3 feature-length film, video, television series not exceeding 27 episodes, or a commercial made in this  
4 state, in whole or in part, for theatrical or television viewing, or as a television pilot. "Film and  
5 motion picture" shall not include a production featuring news, current events, weather or financial  
6 market reports, talk shows, game shows, sporting events, awards shows or other gala events,  
7 productions whose sole purpose is fundraising, longform productions that primarily market products  
8 or services, or productions containing obscene material or performances.

9 77-E:16 Film and Motion Picture Payroll Tax Credit. There shall be a tax credit allowed against  
10 the tax due under this chapter for film and motion picture production companies that incur at least  
11 \$50,000 worth of production-related expenses in a fiscal year in an amount as follows:

12 I. Twenty-five percent of the business' total qualifying payments made to employees  
13 connected with the filming or production of a motion picture within this state.

14 II. Only payments made to employees may be considered for the purpose of this section.

15 III. Qualifying payments shall not include any payments made to an employee in excess of  
16 \$250,000.

17 77-E:17 Film and Motion Picture Production Tax Credit. There shall be a tax credit allowed  
18 against the tax due under this chapter for film and motion picture production companies that, for  
19 any project they work on, produce, or release, spend at least 50 percent of their time filming in this  
20 state in an amount as follows:

21 I. Twenty-five percent of the business' production-related expenses connected to filming and  
22 producing a motion picture in this state.

23 II. Any amount allowed under this section shall not include or consider payroll expenses in  
24 the calculation of the credit.

25 III. A business' New Hampshire-related production expenses must exceed 50 percent of its  
26 total production-related expenses to qualify for a credit under this section.

27 3 Department of Business and Economic Affairs; New Positions; Appropriation.

28 I. The sum of \$500,000 for the fiscal years ending June 30, 2026 and June 30, 2027 is hereby  
29 appropriated to the department of business and economic affairs, for the purpose of managing and  
30 promoting filmmaking in New Hampshire. All funds appropriated for the program shall be  
31 nonlapsing. The governor is authorized to draw a warrant for said sums out of any money in the  
32 treasury not otherwise appropriated.

33 4 Effective Date. This act shall take effect 60 days after its passage.

**SB 286-FN- FISCAL NOTE**  
 AS INTRODUCED

AN ACT creating the New Hampshire office of film and creative media.

**FISCAL IMPACT:**

<b>Estimated State Impact</b>				
	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Revenue</b>	\$0	Indeterminable Decrease	Indeterminable Decrease	Indeterminable Decrease
<i>Revenue Fund(s)</i>	General Fund and Education Trust Fund			
<b>Expenditures*</b>	\$0	Indeterminable Increase up to \$1,000,000		\$0
<i>Funding Source(s)</i>	General Fund			
<b>Appropriations*</b>	\$0	\$500,000	\$500,000	\$0
<i>Funding Source(s)</i>	General Fund			

**\*Expenditure = Cost of bill                      \*Appropriation = Authorized funding to cover cost of bill**

The Office of Legislative Budget Assistant is unable to provide a complete fiscal note for this bill, as introduced, as it is awaiting information from the Department of Business and Economic Affairs. The Department was originally contacted on 1/17/25 for a fiscal note worksheet. When completed, a revised fiscal note will be forwarded to the Senate Clerk's Office

**METHODOLOGY:**

This bill establishes the Office of Film and Creative Media within the Department of Business and Economic Affairs. The office will be supervised by a director and supported by two full-time staff, with responsibilities including connecting New Hampshire's film and media industry, serving as a point of contact for production companies, providing information on tax incentives, maintaining databases of industry professionals and opportunities, and promoting New Hampshire as a filming destination. The office may seek federal grants, private partnerships, and administer federally funded programs to support its initiatives. Additionally, this bill creates two Business Enterprise Tax (BET) credits for film and motion picture production companies: a BET credit of 25% for qualifying employee wages and a production-related expenses tax credit of 25%, with eligibility requirements specified.

The bill appropriates \$500,000 for fiscal year ending June 30, 2026, and \$500,000 for the fiscal year ending June 30, 2027, to the Department of Business and Economic Affairs to fund the new

office, including the creation of one director and two full-time support staff positions. These funds are nonlapsing. However, the impact on state General Fund expenditures is indeterminable due to potential additional costs associated with the offices activities, such as seeking and managing grants, administering federal programs, and implementing initiatives to attract film and media production to the state. The timing and cost of these future expenditures are indeterminable. However, it is assumed the expenditures for FY 2028 and forward will be included in the Office's budget request for the 2028-2029 biennium.

The Department of Revenue Administration (DRA) has limited its analysis of the bill to the sections that fall within its purview: the creation of the Film and Motion Picture (FMP) BET tax credits, one for payroll costs and one for production costs.

- The FMP payroll tax credit would be allowed against the tax due for film and motion picture production companies that incur at least \$50,000 worth of production-related expenses in a fiscal year. The term “production-related expenses” is not defined and does not appear to be geographically limited. For companies that meet the spending threshold, the credit is equal to 25% of qualifying payments made to employees (up to a maximum \$250,000 per employee) connected with filming or production of a motion picture within this state. The DRA interprets this to mean that the credit allowed would be up to \$62,500 per employee for work performed anywhere that is connected to filming or production activities within this state. The DRA further assumes "fiscal year" means the film and motion picture production company's tax year and that there is no limit to the number of employees eligible to earn the credit.
- The FMP production tax credit would be allowed against the tax due for film and motion picture production companies that spend at least 50% of their time filming in New Hampshire for any project they work on, produce or release. The bill also provides that to qualify for the credit, the New Hampshire-related production expenses of the company must exceed 50% of the total production-related expenses of the company. The DRA assumes these provisions, in combination, mean that not less than 50% of a company's filming time must be spent in New Hampshire for all projects and that more than 50% of a company's production expenses must be related to production activities within this state. For companies that meet this test, the credit is 25% of the business' production-related expenses connected to filming and producing a motion picture in New Hampshire (excluding payroll expenses). The DRA interprets this to mean the credit may be claimed for expenses incurred anywhere that are connected to filming or production activities within this state.

- The DRA assumes that both credits are non-refundable, non-transferable, and cannot be used to offset Business Profits Tax (BPT) liability. Further, the DRA assumes that there is no annual or total program cap for either FMP credit.
- The bill includes an effective date of 60 days after its passage. The DRA assumes the credits would be in effect for BET tax year 2025 but realistically taxpayers may not be eligible until tax year 2026.
- The DRA indicates the bill would not result in additional administrative costs to amend its forms, the taxpayer portal, Granite Tax Connect, or the Revenue Information Management System (“RIMS”) that could not be absorbed in the DRA operating budget.

The fiscal impact of this bill as it relates to the credits is indeterminable. The DRA is unable to know how many film and television productions will be eligible for the FMP tax credits. However, based on the effective date of the proposed legislation, the DRA as assumes there will be decreases to the General and Education Trust funds beginning in FY 2026. The DRA notes that these tax credits will decrease BET liability and as a result, decrease the BET credit available to offset the BPT, thus increasing BPT revenue. However, the BPT increase would be less than the BET decrease as not all taxpayers have a BPT liability to be offset by a BET credit and not all taxpayers’ BET liability exceeds the BPT credit. In those situations, the BET loss in revenue would not be offset by increased BPT liability.

**AGENCIES CONTACTED:**

Department of Business and Economic Affairs and Department of Revenue Administration