



# MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

7 School Street • Annapolis, Maryland 21401-2096

Balto. (410) 269-1940 • Fax (410) 280-2956

*President*

**Donna S. Edwards**

*Secretary-Treasurer*

**Gerald W. Jackson**

## **SB 452 - Income Tax - Film Production Activity Tax Credit - Alterations House Ways and Means Committee March 30, 2023**

### **SUPPORT**

**Donna S. Edwards  
President**

**Maryland State and DC AFL-CIO**

Chairman and members of the Committee, thank you for the opportunity to submit testimony in support of SB 452. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

Following the passage of the Maryland Film Employment Act of 2011, our State saw a dramatic increase in film activity which led to growth in our economy, the employment of thousands of skilled workers, and an economic boon to thousands of small businesses in Maryland. According to the Maryland Department of Commerce, since 2012, direct, qualified spending related to Maryland film production has been used to patronize 14,311 businesses. This business tax credit is the most stringent one that Maryland offers, ensuring that the dollars we invest go toward creating good, family sustaining careers for those employed in the film industry in our State. Not a single dollar of the credit is approved until a thorough audit has been completed.

To maintain our competitive edge, and to retain and cultivate a lucrative and growing industry in Maryland, it is imperative to continue to provide the existing tax credits to film production projects in our State and to increase them. SB 452 installs the film industry as part of Maryland's permanent economic engines by increasing the credit to \$25 million this year, and \$50 million for each year after – and the winners are small businesses, family-sustaining careers, and local and state economies. Maryland consistently produces hit television shows and movies like “Veep” and “House of Cards.” Stars like Julia Roberts, Tom Hanks, Meryl Streep, Owen Wilson, and Vince Vaughn all have worked in our state.

SB 452 has a wide coalition of supporters, including labor unions, casting companies, art schools, furniture vendors, and other small businesses from around the state that benefited from Maryland's film industry. This positive impact on small businesses is reflected in SB 452's Fiscal and Policy Note. Increasing this tax credit is critical to ensuring a solid business climate – one that ensures continued investment by the film industry in Maryland to create good jobs and grow our economy, and for these reasons, we urge a favorable report on SB 452.