

U.S. Entertainment Coalition Backs Domestic Production Incentive

The U.S. entertainment sector – including studios, independent production and distribution companies, behind-the-scenes crew, actors, directors, producers, writers, and local film offices – strongly supports the call for a domestic manufacturing and production incentive.

- Congress should adopt a domestic manufacturing and production incentive to encourage more domestic employment, including in film and television production.
- Historically, film and television production benefitted from production incentives, including various export incentives and the section 199 domestic production deduction. These incentives promoted significant economic and job growth.
- As Congress seeks to reshore American jobs and promote growth in communities across the country, an updated domestic manufacturing and production incentive should promote film and television produced by workers within the United States.

A domestic production incentive for the film and television industry would have a significantly positive growth impact.

- Support for American Jobs: In 2022, the entertainment industry employed nearly 2.75 million people and generated \$242 billion in wages, with average salaries well above the national average.
- Positive Trade Balance: U.S. film and television production exports yield a \$10.3 billion trade surplus, showcasing strong international demand for American film and television.
- Local Economic Impact: On-location productions spend an average of \$670,000 per day, directly benefiting hundreds of local communities and supporting nearly 122,000 film-related businesses across the nation.
- Broad Geographic Reach: A federal tax incentive for domestic production would benefit states across the nation, particularly those with high film and television production activity, including California, Florida, Georgia, Illinois, Kentucky, Louisiana, New Jersey, New York, Oklahoma, Tennessee, and Texas.

A domestic production incentive is needed to ensure the U.S. film and television industry remains competitive on the global stage.

- Despite longstanding American dominance in film and television production, foreign countries have successfully lured high-value productions and associated jobs with aggressive incentive programs and have built infrastructure rivaling the U.S.
- A domestic production incentive would make the U.S. market more competitive and able to retain and return high-paying jobs tied to film and television productions.

BOTTOM LINE: As Congress undertakes 2025 tax legislation, we urge lawmakers to include a production incentive to support film and television production made by workers in America. This will help preserve and create U.S. jobs, bolster local economies across the country, and ensure America remains the global leader in entertainment production.

