



2014

Eno River Media brings forward a state budget friendly concept that will empower the NC film industry, its associates, and interstate counterparts while expanding the industry in the state of North Carolina.

The key points of the proposal are below:

1. Qualification of Media Production Firms

- a. A set of criteria developed that will allow state regulators to qualify certain businesses in the state as media production firms that are eligible to participate in the proceeding programs

A qualified business satisfies the following criteria:

- a. Operates as a video production business
- b. Has at least one full time employee making at least \$15,080 a year
- c. Must have paid NC State taxes as a business for at least 1 year just prior to request
- d. Have a current and valid USA Tax ID and NC Department of Revenue ID
- e. At least 51% of the business income is generated from video production product or service

2. Incentivized Reimbursements based on Jobs Created

- a. Qualified Media Production firms will receive an incentive reimbursement on a percentage of income taxes paid by their employees
- b. An initial percentage will be set for the incentive based on criteria to be devised. Year to year if the company acquires new full-time employees the incentive, they receive will increase based on the number of W2s filed (total payroll).
- c. A qualified video production business may apply for incentive rebate at the end of their second year in the incentive program for 1099s issued the previous year.
- d. 1099 incentive is a fixed percentage amount per 1099 incident. The 1099 incentive will not increase over time - no matter how many employees are hired.
- e. Full time employment incentive is increased each year based on adding more full-time employees. An employee making at least \$15,080 a year must be hired in order to qualify for the increased incentive percentage.
- f. Payroll within this context consist of W2s and 1099s.

3. Incentive Reimbursements for taxes paid on services rendered by Qualified Media Production Agencies

- a. Finally, external companies composing a production in North Carolina will receive an incentive rebate on taxes paid while enlisting the services of firms that qualify as media production companies.