



Illinois Extends Tax Cuts for Filmmakers, Hoping to Boost Economy

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By Valeria Fanelli

If Hollywood producers choose to shoot at locations outside of Illinois, not only would Chicago no longer star as the skyscrapered backdrop for famous movies like Spiderman, Superman and Transformers, but Illinois' economy and tourism could also suffer.

To keep the film rolling in Illinois, state representatives extended a bill last year to ensure that producers will continue to choose Illinois for their movies in the next 5 years, said [Rep. Sara Feigenholtz \(D-IL-12\)](#).

The [Illinois Film Production Tax Credit Act](#), was approved in December 2008 and it offers tax credit benefits with the goal to attract filmmakers to Illinois. The act was extended in 2011 for other 5 years, she said.

"Anytime we are able to bring people to Illinois who would otherwise not be here, spending money and stimulating the local economy – we're better off," said Feigenholtz.

The extension of the bill was a good short-term step for Illinois film industry, but it also discouraged some of the long-term investment in building studios and bringing projects that could have a much greater economic impact in the long term, she said.

"We return to [Springfield](#) next week to reconvene and continue to encourage small and large business to come to Illinois while tackling some very complex budget issues," said Feigenholtz.

[Illinois Department of Commerce and Economic Opportunity](#) Communication Manager Kelly Jakubek said Illinois' film industry saw a record of \$161 million in spending in 2010, an increase of about 54 percent from 2009.

"Prior to the Illinois Film Tax Credit being enacted, the Illinois film industry had fallen to an all-time low of \$23 million in revenue," Jakubek said.

Since the Illinois legislature passed the film tax credit, the film industry has rebounded dramatically.

Jakubek also said the film industry brings to the state indirect economic benefits related to retail and service industries including hotels, restaurants, rental car companies, office and equipment rentals, hardware stores, lumber yards, heavy machinery rentals, sound stages storage facilities, grocery stores, janitorial services payroll services and many more.

Feigenholtz said she thinks the film industry is a sector of the economy that the state hasn't fully tapped into yet. She said it should be seen as a reasonable way to increase tourism.

Festivals like the [Chicago Film Festival](#) – October 7-20, 2012- are important to maintain a high quality of life for residents and reinforce the state's reputation of having a strong commitment to the arts, she said.

"Economically, these events are a major stimulant for the local economy," said Feigenholtz. "The more we increase revenues from tourism, the less we need to depend on resident tax dollars."

Jakubek said movie production in Illinois is not impacted by the state budget, but Feigenholtz said budget cuts will continue to affect every segment of the state's economy, including tourism.

“It’s important that we’re spending money wisely and in a way that can yield a greater return in the long-run,” Feigenholtz said.

Jakubek said in 2010 the state hosted big budget Hollywood films like [Contagion](#), [Transformers 3](#), and [The Dilemma](#), as well as numerous smaller projects and a thriving commercial production industry.

“With the filming of Superman: [Man of Steel](#), several major television shows and many commercial productions [...], 2011 is promising to be another banner year for the Illinois film industry,” she said.

According to the city of [Chicago’s Office of Tourism](#), ten movies were filmed in Chicago in 2011, 23 in 2010, 14 in 2009 and 28 in 2008.