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WILLIAM C. THOMPSON, JR.
COMPTROLLER

February 25, 2009

The Honorable David A. Paterson
Governor
State Capitol
Albany, N.Y. 12224

Dear Governor Paterson:

I write to express my concern regarding the lack of funding for the Empire State Tax Credit Program which now threatens to severely weaken New York City's vitally important film production industry. This industry employs 30,000 people directly, and an estimated 70,000 others in related fields.

In recognition of this fact, last spring, the State properly extended this tax credit through 2013. Unfortunately, the State has since declined to provide sufficient funds to sustain this important program. Particularly at this difficult time, we simply can not afford to risk driving this important employment base out of our region.

From 2005, the first year after the State Tax Credit program was instituted, to 2008, the number of shooting days in New York City averaged 30,500, compared to an average of less than 20,000 shooting days in the years from 1993 to 2005. It is clear that the combined State and City tax credit program has significantly enhanced the City's attractiveness as a place for film production.

While it may seem counter-intuitive to increase funding for a tax credit program during a fiscal crisis, this program has been successful in increasing employment and providing a boost to a host of local businesses--from caterers to costumers--that serve the film industry. Furthermore, the television shows and movies that are shot here create free advertising for the attractions of our City, and have spawned tours based on popular shows such as "Seinfeld" and "Sex and the City."

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We are all well aware of the need to diversify our economy, which became perilously dependent on Wall Street in recent years. New York State, and New York City in particular, are attractive to film producers for a variety of reasons, including the concentration of actors and artists, our extensive transportation network, and the diversity of our geography and neighborhoods. But in an industry where costs matter and substitute locations can be found quickly, these attributes by themselves are not enough to secure our position as one of the pre-eminent locations for film shoots.

I urge you to provide additional funding to this program and preserve this crucial industry.

Very truly yours,

A handwritten signature in black ink that reads "William C. Thompson, Jr." The signature is written in a cursive style with a large, stylized initial 'W'.

William C. Thompson, Jr.