

Feb. 2, 2007 ~ Cultural Economy Summit III

Breakout Session: Tax Incentives/Credits for Economic Cultural/Development

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Summary – educate and publicize existing grant/loan programs/lure more venture capitalists/expedite process/workforce training incentives/focus on local art and artists

Participants Represented - Live Theater/Music Producer/Digital Imaging/Education/Performing Arts/State Govt. – cultural promotion/Stay Local/French Qtr Cultural Promotion/Poet/Union for behind camera labor/Jazz Heritage Foundation/Independent Film Makers

Making Louisiana competitive for the Arts - 3 elements of tax incentives – artists/segments in the cultural economy/districts

NOLA has success in drawing filmmakers here lately due to tax incentives. NOLA needs more incentives for musical success as well.

What's right? Why?

South by Southwest SXSW – Local musicians/music co.'s get funded by state to buy booths.

Filmmaking has good tax credit program from state – state was very generous in the beginning to attract production projects.

LA offers payroll tax credits that help get locals hired.

What's wrong? Why?

LA state government is not providing incentives/credits for international tradeshow, i.e. Midem Trade Show is a big international show/opportunity that NO music industry is missing out on.

Lack of professionals that value intellectual property in NOLA. Need an infrastructure or organization of professionals that cater to intellectual property in NOLA. Copyrights, patents, trademarks etc.

What's Missing? Suggestions? Why?

Use of tax credits as liquidity/start-up capital on the front end would help more arts and entertainment industry here.

NOLA needs more up front capital in order to earn income to qualify for tax credits in the first place.

Could use tax credits for training and creating qualified local labor

Tax credits for sound recording are not transferable eliminating middlemen and brokers who buy them up and resell to arts & entertainment companies.

Companies have used up payroll tax credits on the available pool of NOLA labor – how can they get tax credits for out-of-town labor?

Can't have a one-size fits all/cookie cutter incentive plan for nurturing creative companies in NOLA. Incentive plans made for large corporations exclude small companies and many times there are no alternatives.

Create Special Creative Fund for cultural industry

Gypsy Trade vs. Regular labor – critical in getting state tax incentives

Gypsy Trade means contract work etc under which most actors/performers etc. fall

Artists need to make enough money in the industry to even apply for tax credits –

Most artists in NOLA work as bartenders or servers and are recognized as such by the IRS.

Tax incentives for software, hardware, supplies for cultural growth. ***Need a smaller scale incentive program tailored for independent filmmakers, musicians, artists etc.***

Streamline and expedite the state process for incentives/credits/funding.

What makes sense? Why?

Need a larger pool of available/capable workforce in the industry.

Creativity is a commodity that should benefit NOLA financially.

Art for the economy's sake – not art for art's sake

Tax credits for local filmmakers to create a pool of local filmmakers and ideas.

Housing incentives for the cultural community. Location based tax incentives.

Flood zone areas should receive cultural tax-credits.