



## CABINET FOR ECONOMIC DEVELOPMENT


**Andy Beshear**  
GOVERNOR

Old Capitol Annex  
300 West Broadway  
Frankfort, Kentucky 40601

**Jeff Noel**  
SECRETARY

### **MEMORANDUM**

**TO:** KFLC Members

**FROM:** Kylee Palmer, Deputy Commissioner   
Department for Financial Services

**DATE:** September 19, 2025

**SUBJECT:** KFLC Regular Meeting

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The Kentucky Film Leadership Council's meeting is scheduled for **September 25, 2025**, at 3:00 p.m. (ET) through both in person attendance and video conference. The primary location for the meeting where all members can be seen and heard and the public may attend in accordance with KRS 61.826 and 61.810 will be in COT Conf Room MUB547CE on the 5<sup>th</sup> floor at the Cabinet for Economic Development, Mayo Underwood Building, 500 Mero Street in Frankfort. While participants, media and members of the public may attend the board meeting in person at the primary location, attendees are also encouraged to join the meeting virtually and can access the video teleconference at the following link:

<https://us02web.zoom.us/j/83182781177>

If you have any questions, please feel free to contact our office at any time.



# KENTUCKY FILM LEADERSHIP COUNCIL

## AGENDA

September 25, 2025

### PRIMARY LOCATION:

*Where all members can be seen and heard and the public may attend in accordance with KRS 61.826 & 61.840*

COT Conference Room MUB 547CE

Mayo Underwood Building

500 Mero Street

Frankfort, Kentucky

### **ALSO AVAILABLE VIA ZOOM:**

<https://us02web.zoom.us/j/83182781177>

**Call to Order**

**Notification of Press**

**Roll Call**

**Opening Comments**

### **Minutes**

Minutes from August 28, 2025 KFLC Meeting

### **Report**

Monitoring Report

Kylee Palmer

### **Subcommittee Report**

Guidelines Subcommittee

Chad Zimlich

### **Other Business**

Consideration of Policy

Matt Wingate

307 KAR 1:080E

Matt Wingate

### **New Business**

Unwritten LLC

Daviess, Hopkins

Tim Bates

Omni Productions, LLC

Fayette

Tim Bates

Neptune Productions, LLC

Fayette

Cody Pennington

Winning Time, Inc

Jefferson, Shelby

Peyton McElmurray

GM 1 LLC

Pike

Brennan Tucker

Paramount Pictures Corporation

Fayette, Powell

Brennan Tucker

### **Adjournment**



**KENTUCKY FILM LEADERSHIP COUNCIL MEETING  
THURSDAY, AUGUST 28, 2025  
MINUTES**

A meeting of the Kentucky Film Leadership Council (KLFC) convened at 3:02 p.m. on Thursday, August 28, 2025, through both in person attendance and video conference. The primary location for the meeting where all members could be seen and heard and the public was able to attend in accordance with KRS 61.826 and 61.840 was the Conference Room at 500 Mero Street, Mayo-Underwood Bldg, 5<sup>th</sup> Fl, Frankfort, Kentucky. While participants, media and members of the general public were able to attend the council meeting in person at the primary location, space was limited, and attendees were encouraged to join the meeting virtually and provided a link for a video teleconference.

**CALL TO ORDER AND ROLL CALL**

Soozie Eastman, Chairperson of KFLC, called the meeting to order and verified press notification. Karen Yates called the roll.

**MEMBERS PRESENT**

Soozie Eastman, Misdee Wrigley Miller, Jeremy Winton, Steve Zahn (joined virtually), Secretary Jeff Noel, Mona Juett (proxy for Secretary Lindy Casebier) and Secretary Jamie Link.

**OTHERS PRESENT**

Kylee Palmer, Karen Yates, Shannon MacDonald, Matthew Wingate, Chad Zimlich, Joseph Gearon, Nasim Moula, Ashiq Zaman, Cody Pennington, Jason Harley, Brennan Tucker, Tim Bates, Andrew Osborne, Peyton McElmurray, Casadi Bramer, Breanna Dolan, Gabrielle McGee, Rachael Dever, Molly Green, Connor Wall, Jeanne Darby, Ashlee Chilton, Ellen Felix, Lisa Brin (FilmLEX Lead), Bryan Houston, Kristi Kilday, Stu Pollard, Steve Hohne, Kevin Greene, CeCe Warren, Sara Fontaine, Ojan Missaghi, Alex Staffieri, Mary Jackson, Sedrick Spencer, Kathy Banuelos, David Cottingham, Sarah Van Wallaghen, Alexandra Reinholdt.

**APPROVAL OF MINUTES**

A motion was introduced by Soozie Eastman to approve the minutes of the Kentucky Film Leadership Council special meeting held on Thursday, August 7, 2025. Misdee Wrigley Miller made the motion and was seconded by Secretary Jamie Link. The motion carried without opposition.

**REPORT**

Kylee Palmer provided the monitoring report of the calendar year activity for the KEI projects.

**SUBCOMMITTEE REPORT**

The Guideline Subcommittee presented a report outlining proposed official comments for the Council to make related to the Kentucky Entertainment Incentive Program's emergency regulation, 307 KAR 1:080E, instructing CED to make seven identified changes to the regulation pertaining to qualifying payroll expenditures, qualifying expenditures, incentive caps, proof of funding, applications, and the economic analysis. These comments were then referred to the full Council for review and consideration. After discussion, Misdee Wrigley introduced a motion to adopt the comments; Mona Juett seconded the motion. The motion carried.

### NEW BUSINESS

The following projects were presented for consideration by the KFLC:

Following a brief discussion of the Frontier Lives LLC project, the agenda was adjusted to move the first three projects to the end of the meeting. The meeting continued and projects were reviewed for consideration by the council.

1. Kentucky Lifestyle Series LCC, Hopkins County, presented by Tim Bates

Jermy Winton disclosed a financial interest in Kentucky Lifestyle Series, LLC, Real GW Movie LLC, GR Film Slate 3 LLC, Unwritten LLC, in accordance with the KFLC Bylaws, and refrained from participating in discussions related to or taking action on those projects. Jeremy Winton left the room during these discussions.

A representative from the project attended virtually for project discussion.

Misdee Wrigley Miller introduced a motion to approve this project; Soozie Eastman seconded the motion. The motion carried.

2. Real GW Movie LLC, Hopkins County, presented by Tim Bates

A representative from the project attended virtually for project discussion.

Soozie Eastman introduced a motion to approve this project; Misdee Wrigley Miller seconded the motion. The motion carried.

3. GR Film Slate 3 LLC, Hopkins County, presented by Tim Bates

A representative from the project attended virtually for project discussion.

Misdee Wrigley Miller introduced a motion to approve this project; Secretary Jamie Link seconded the motion. The motion carried.

4. Unwritten LLC, Daviess and Hopkins counties, presented by Tim Bates

A representative from the project attended virtually for project discussion.

Following discussion of the project, additional information was requested of the project and the project was tabled.

Jeremy Winton returned to the meeting to discuss the remaining projects.

5. Spring Will Come Again, Daviess County, presented by Joseph Gearon

A representative from the project attended virtually for project discussion.

Soozie Eastman introduced a motion to approve this project; Secretary Jamie Link seconded the motion. The motion carried.

6. Bourbon Set LLC, Jefferson County, presented by Joseph Gearon

A representative from the project attended virtually for project discussion.

Soozie Eastman introduced a motion to approve this project; Mona Juett seconded the motion. The motion carried.

7. LawNewz, Inc., Fayette, Letcher and Pulaski counties, presented by Joseph Gearon

A representative from the project attended virtually for project discussion.

Secretary Jeff Noel introduced a motion to approve this project; Jeremy Winton seconded the motion. The motion carried.

8. Jigsaw Productions, LLC, Jefferson County, presented by Peyton McElmurray

Misdee Wrigley Miller disclosed a financial interest in Jigsaw Productions, LLC and Airways Productions, LLC, in accordance with the KFLC Bylaws, and refrained from participating in discussions related to or taking action on those projects. Misdee Wrigley Miller left the room during these discussions.

A representative from the project attended virtually for project discussion.

Secretary Jeff Noel introduced a motion to approve this project; Secretary Jamie Link seconded the motion. The motion carried.

9. Airways Productions, LLC, Fayette County, presented by Cody Pennington

A representative from the project attended virtually for project discussion.

Soozie Eastman introduced a motion to approve this project; Jeremy Winton seconded the motion. The motion carried.

Misdee Wrigley Miller returned to the meeting to discuss the remaining projects.

The first three projects on the agenda were reviewed for consideration by the council.

10. Frontier Lives LLC, Edmonson, Jefferson and Powell counties, presented by Brennan Tucker

A representative from the project attended virtually for project discussion.

Following discussion of the project, no motion was made; agenda item failed for lack of a motion .

11. Wellness Trails, LLC, Fayette, Harlan, Jefferson, Lewis, McCracken, Pike, Powell and Rowan counties, presented by Brennan Tucker

A representative from the project attended virtually for project discussion.

Following discussion of the project, no motion was made; agenda item failed for lack of a motion.

12. Black Reins LLC, Fayette, Franklin and Jefferson counties, presented by Breanna Dolan

A representative from the project attended virtually for project discussion.

Following discussion of the project, no motion was made; agenda item failed for lack of a motion.

#### OTHER BUSINESS

Matt Wingate provided an update regarding comments on the current regulations (307 KAR 1:080E). Discussion occurred regarding including fringe and per diems as an eligible expense within the program, to the extent permitted by law. Soozie Eastman introduced a motion to include fringe and per diem as an eligible expense within the program; Secretary Jeff Noel seconded the motion. The motion carried.

Discussion occurred regarding the Continuous Film Production and a subcommittee was formed. The subcommittee representing the Continuous Film Production is Jerney Winton, Misdee Wrigley Miller and Secretary Jeff Noel.

An update related to the Executive Director position was provided. The posting is live and applications are being accepted. All applications should be submitted to Shannon MacDonald at the Cabinet.

The KFLC's next regular scheduled meeting is September 25, 2025.

#### ADJOURNMENT

Secretary Jeff Noel made a motion to adjourn. The motion was seconded by Soozie Eastman. The motion passed without opposition. Meeting ended at 5:36pm.

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Soozie Eastman, Chair  
Kentucky Film Leadership Council





**Kentucky Entertainment Incentive (KEI) Projects  
Calendar Year 2025**

KFLC Meeting date	9/25/2025
Total Projects Approved Calendar Year-to-Date	55
Number of Proposed Projects for Current Month	6

**Motion Picture or Entertainment Production / Continuous Film Production**

Calendar Year Cap	\$75,000,000
Approved Calendar Year-to-Date	\$61,604,061
Recaptured Funds Calendar Year-to-Date	\$6,380,287
Balance Available for Current Month	\$13,395,939
Proposed Approval for Current Month	<u>\$10,299,152</u>
Balance Available for Remainder of Calendar Year	<u><u>\$9,477,074</u></u>



**KENTUCKY FILM LEADERSHIP COUNCIL**  
**ADVISORY MEMORANDUM 001**

**Adopted Policies**

**Policy on Per Diem:**

Approved Companies may qualify per diem as Qualifying Payroll Expenditures to the extent the Approved Company remits Kentucky state payroll tax for those per diem.

**Policy on Fringe Benefits:**

Taxes, contributions to pension, health, and welfare, workers' compensation insurance, and state unemployment insurance payments made by Approved Companies cannot qualify as Qualifying Payroll Expenditures, as Kentucky law limits those Qualifying Payroll Expenditures to employees' adjusted gross income and those items are specifically excluded. Payroll Handling Fees can potentially qualify as Qualifying Expenditures, not Qualifying Payroll Expenditures, where those expenditures are made to a Kentucky vendor and are related to a qualifying category of expenditures as set forth in KRS 154.61-010(21)(a) (i.e., set, wardrobe, accessories, photography, sound synchronization, lighting, editing, and related services).

**Background**

During the August 28, 2025 meeting of the Kentucky Film Leadership Council (the "Council"), the Council considered a comment made by the Motion Picture Association ("MPA") related to the Kentucky Entertainment Incentive Program's applicable regulation. The MPA's comment requested the Council consider fringe benefits and per diem as an eligible expense within the Program. The Council then moved to adopt this recommendation, and the Council's Guidelines Subcommittee was thereafter tasked with creating a framework around fringe and per diem.

The Guidelines Subcommittee met on September 22, 2025, to consider the details of including fringe benefits and per diem within the incentive structure of the Kentucky Entertainment Incentive Program, as well as an applicable framework to apply to applicants seeking incentivization on these bases.

The basis for these Policies is set forth below:

**Per Diem**

Regarding per diem, the MPA requested the Council "[i]nclude per diem expenses up to the amount permitted by the U.S. General Services Administration (GSA). Include any per diem paid in excess of the GSA amount as long as such excess is included in the adjusted gross income of the film worker for services verified as performed in Kentucky."

The Kentucky Entertainment Incentive Program's controlling statutes, KRS Chapter 154.61, allows for incentivization of "Qualifying Expenditures" and "Qualifying Payroll Expenditures." A "Qualifying Payroll Expenditure" is defined as "compensation paid to above-the-line crew and below-the line crew while working on a motion picture or entertainment production in the Commonwealth if the compensation is for services performed in the Commonwealth." KRS 154.61-010(22). "Compensation" is defined as "compensation included in adjusted gross income as defined in KRS 141.010."

Adjusted gross income is further defined from KRS 141.010(1) to mean the amount calculated in KRS 141.019, which identifies that adjusted gross income is "calculated by subtracting from the gross income of those taxpayers the deductions allowed individuals by Section 62 of the Internal Revenue Code" and then further excluding seventeen (17) additional categories of income/money. Section 62 of the Internal Revenue Code, and related regulations, permit employees to exclude certain amounts of per diem from their adjusted gross income.

Understanding this, per diem may still be treated by an Approved Company, in whole or in part, as part of an employee's adjusted gross income for purposes of Kentucky state withholding. In the event an Approved Company treats per diem as taxable income to the employee, thereby withholding the applicable individual rate of 4%, that amount of per diem can be incentivized as a "Qualifying Payroll Expenditure."

Following this analysis, the Guidelines Subcommittee recommended to the full Council that this be the formalized policy adopted to allow applications to include these kinds of per diems as "Qualifying Payroll Expenditures." The Guidelines Subcommittee additionally discussed the understanding that per diem would be self-policing, insofar as per diem is functionally equivalent to salary that is then committed to the purpose of Kentucky-based spend. As a policy, an Approved Company identifying per diem within their Qualifying Payroll Expenditures should be prepared to provide documentation supporting the expenditures.

### **Fringe Benefits**

The MPA provided additional materials to the Guidelines Subcommittee, identifying the following as Fringe Benefits it recommended to be included within the Program:

1. FICA (*Social Security, Medicare*) FUTA (*federal unemployment tax*) and SUI (*state unemployment insurance*);
2. Workers' compensation insurance;
3. Union & Guild Contributions (*Pension, Health, & Welfare*); and
4. Payroll Handling Fees.

In support, the MPA also identified twelve other states that permit some form of per diem and fringes within their film incentives. In the states permitting these fringe benefits, however, those fringes have been specifically included within the statutory framework. In contrast, Kentucky's statute, as defined above, limits "Qualifying Payroll Expenditure" to mean adjusted gross income.

Of the categories listed above, the first (taxes and state unemployment insurance), is specifically excluded from adjusted gross income. The second (Workers' compensation insurance), is statutorily required and not part of an employee's adjusted gross income. The third, contributions for pension, health and welfare, are likewise either specifically excluded or not included within an employee's adjusted gross income. Therefore, no amounts paid by an Approved Company within those categories of expenses could qualify as "Qualifying Payroll Expenditures" as the law currently permits. To include them would require a statutory change.

The fourth (Payroll Handling Fees) are likewise not part of an employee's adjusted gross income; however, these fees may potentially be eligible as "Qualifying Expenditures," provided they meet all the requirements in KRS 154.61-010(21) and the Program's corresponding regulation, 307 KAR 1:080. KRS 154.61-010(21) identifies nine categories of expenditures that can be considered, provided they are made in the Commonwealth and are directly used in or for a motion picture or entertainment production, including:

- Set construction and operations, wardrobe, accessories, and related services;
- Photography, sound synchronization, lighting, and related services; and
- Editing and related services.

307 KAR 1:080 further requires Qualifying Expenditures be made to an entity or individual qualifying as a "Kentucky vendor." Kentucky vendors must: (1) perform their services or sell their property within Kentucky; (2) have a physical location in Kentucky with one or more employees; (3) register with the Kentucky Department of Revenue for collection of sales and use tax; (4) have a local business license, where required by law; and (5) have supporting documentation that services rendered are within the Commonwealth.

On this basis, if an Approved Company is making an expenditure in the Commonwealth to a Kentucky vendor (i.e., Kentucky-based payroll service handler) that is directly used in or for a motion picture or entertainment production related to one of those categories of services, these amounts could be qualified as "Qualifying Expenditures."

Following this analysis, the Guidelines Subcommittee is prepared to recommend to the full Council that treatment of expenditures made to Kentucky-based Payroll Service Handler related to one or more of the categories listed as a "Qualifying Expenditure" be treated the same as any other "Qualifying Expenditure" made to a Kentucky vendor.





## MOTION PICTURE ASSOCIATION

On behalf of the Motion Picture Association, we respectfully submit the following information on industry standards with respect to the inclusion of per diem and fringe benefit payments as qualified expenditures in production incentive programs.

The motion picture industry pays above-average wages and provides robust pension and health benefits to a large workforce. Production activity further supports local supply chains, offers quality employment opportunities for workers of all skill and educational levels, and has a tremendous economic multiplier effect boosting the tourism, leisure, and hospitality industries. These qualities have made the industry a prime target for jurisdictions seeking to diversify economies and encourage job growth through the establishment and implementation of competitive incentive programs.

Inclusion of per diems and fringes is a common practice among film incentive programs across the country when the recipients of such payments are providing services in the state and their compensation is qualified expenditures under the state's incentive program. The policy rationale for including these costs is, first and foremost, to attract production by allowing labor costs to qualify, but also to encourage the payment of competitive wages and benefits to workers. The specific inclusion of per diems and fringes in state film incentive programs are overwhelmingly addressed administratively in a manner consistent with the policy objectives in the statute where compensation for workers providing services in-state is included.

As discussed during the meeting of the Film Leadership Council on August 28<sup>th</sup>, the Cabinet has authority under the Kentucky Entertainment Incentive program to modify its policy on including fringe benefits and per diem payments.

The MPA respectfully suggests the Cabinet adopt the following treatment<sup>1</sup>:

**Per Diems:** Include per diem expenses up to the amount permitted by the U.S. General Services Administration (GSA). Include any per diem paid in excess of the GSA amount as long as such excess is included in the adjusted gross income of the film worker for services verified as performed in Kentucky.

**Fringe Benefits:** Include employer-paid payroll contributions to the compensation of the film worker for services verified as performed in Kentucky. The employer's share of:

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<sup>1</sup> All of the following expenses would be subject to the same Kentucky audit confirmation procedures currently in force to confirm qualified expenditures.





## MOTION PICTURE ASSOCIATION

(i) FICA (*Social Security, Medicare*) FUTA (*federal unemployment tax*) and SUI (*state unemployment insurance*)

(ii) workers' compensation insurance,

(iii) Union & Guild Contributions (*Pension, Health & Welfare*)

(iv) Payroll Handling Fees

In support of the foregoing, please see:

- 1) A chart below of other state incentive programs with direct links to their respective policies and rules regarding per diem and fringe benefits.
- 2) Also provided for your consideration is a white paper on the assessment of fringe benefits and per diems as eligible expenditures under state film incentive programs from Entertainment Partners, the largest payroll service provider for the global film industry.

Please feel free to contact us if we can answer any questions or provide additional resources.

State	Policies re per diems and fringe benefits
Alabama	Allows per diems and fringes paid on qualified labor <a href="http://www.alabamafilm.org/pdf/RULES_REGS_281-3-1-1.pdf">http://www.alabamafilm.org/pdf/RULES_REGS_281-3-1-1.pdf</a>
California	Allows per diems and fringes paid on qualified labor <a href="#">QEC alphabetized v8 - Aug 2023.xlsx</a>
Connecticut	Allows per diems and fringes paid on qualified labor <a href="#">Schedule of Eligible Expenditures July09</a>
Georgia	Allows per diems and fringes up to federal limits on qualified labor <a href="#">GA Film Tax Credit - List of Expenditures 03.15.2023 (7).pdf</a>
Illinois	Allows per diem and fringes on qualified labor <a href="http://ilga.gov/commission/jcar/admincode/014/014005280000200R.html">ilga.gov/commission/jcar/admincode/014/014005280000200R.html</a>



## MOTION PICTURE ASSOCIATION

State	Policies re per diems and fringe benefits
<b>Maryland</b>	Allows per diems and fringes paid on qualified labor <a href="#">Authorized_Direct_Costs.pdf</a>
<b>Montana</b>	Allows per diems and fringes paid on qualified labor  <a href="#">DEFINITIONS   Administrative Rules of Montana</a>
<b>New Jersey</b>	Allows per diems and fringes paid on qualified labor <a href="#">FilmTaxCredit-FAQ.pdf</a>
<b>New York</b>	Allows per diems and fringes paid on qualified labor <a href="#">FilmProduction-FinalTemplates-20250421.xlsx</a>
<b>North Carolina</b>	<a href="#">North Carolina Film Incentives</a> allows per diems and fringes on qualified labor
<b>Oklahoma</b>	Allows per diems and fringes paid on qualified labor <a href="#">OFMOAdministrative-Rules091122.pdf</a>
<b>Tennessee</b>	Allows per diems and fringes to extent included in taxable income on qualified labor  <a href="#">2025_Guidelines_and_Instructions_for_Application_of_Tax_Credit_and_Sales_Tax_Exemption_Final.pdf</a>

September 8, 2025

## **Best Practices: U.S. State Production Incentives - "Fringes" and "Per Diem"**

In the landscape of U.S. state film and television production incentives, the treatment of "fringes" and "per diem" as qualified spend is a critical detail for budgeting. While each state has its own specific statutes and regulations, there are general rules and common variations that are widely accepted.

For a state production incentive to be truly competitive and generate the maximum return on investment, its qualified expenditures must align with established industry best practices. Any program's exclusion of "fringes" and certain "per diem" costs creates a significant competitive disadvantage and limits its potential economic impact.

This document outlines best practices and the case for updating a production incentive program to attract more productions and drive greater local spending as it relates to including "fringes" and "per diem" as a qualified expenditure.

Qualifying fringes—the employer-paid payroll contributions—is a foundational component of virtually every competitive state production incentive in the country. Excluding them makes a production incentive program less valuable.

### **What's Included in "Fringes"?**

- Employer-paid payroll taxes: This includes the employer's share of FICA (Social Security and Medicare), Federal Unemployment Tax (FUTA), and State Unemployment Insurance (SUI).
- Union & Guild Benefits: Mandatory contributions to pension, health, and welfare (PH&W) plans as stipulated by union or guild agreements (e.g., DGA, SAG-AFTRA, IATSE).

- Workers' Compensation Insurance: Premiums paid for policies covering the production's employees.
- Payroll Service Fees: Often, the administrative fee paid to a third-party payroll company can also qualify.

It is crucial to differentiate between the employer's contributions and the employee's withholdings. The incentive applies only to the employer's costs (the fringes), not the taxes withheld from an employee's paycheck.

Fringes are not an optional bonus; they are a legally mandated (or in the case of PH&W, contractually mandated) part of wages paid for work performed in a state. To disallow fringes is to disallow a core part of the very local labor costs the incentive is designed to attract.

Production companies analyze incentives based on their total, effective value. A 30% to 35% incentive that excludes fringes is often less attractive than a 25% incentive in a neighboring state that includes them. By not qualifying this standard labor cost, a program is immediately at a disadvantage.

Adopting this standard would send a clear message that a state is serious about competing for productions on a national level.

Similar logic and principles apply to "per diem."

### Per diem

Per diem is money spent locally on lodging (hotels, short-term rentals), food (restaurants, grocery stores), and transportation (gas stations, car services). This spending creates a powerful multiplier effect, where the hotel uses its revenue to pay local staff, who then spend their wages at other local businesses. Denying this expenditure means ignoring one of the most direct ways a production financially benefits communities.

While states rightfully demand accountability, a complete exclusion of per diem overlooks its primary function: injecting millions of direct-spend dollars into local businesses. High-value film and television series require key non-resident talent (e.g., actors, directors, cinematographers, etc.). Providing their living expenses is a non-negotiable, fundamental cost of business. By not qualifying this cost, a state is inadvertently discouraging the very productions that bring the largest budgets and create the most jobs.

With regard to accountability, the concern over verifying in-state spending is valid and easily solved. The industry best practice is to qualify per diem expenses up to the established federal GSA rate for each locality (<https://www.gsa.gov/travel/plan-book/per-diem-rates>). For studios and producers, this is the standard that allows them to reimburse daily expenses without the administrative burden of collecting every single receipt. This provides a clear, auditable, and fraud-resistant standard used by the federal government itself.

By adopting the GSA rate as a cap, the state can ensure accountability while still capturing the immense economic benefit that per diem spending provides.

When a per diem payment exceeds the established federal GSA rate, the portion of the payment above that rate is, by default, considered taxable income to the recipient.

The amount at or below the GSA rate is considered automatically substantiated by the IRS and remains non-taxable. To prevent the excess amount from being taxed, the employee must provide the employer with actual receipts that substantiate the full expense.

If no receipts are provided to justify the overage, the employer must treat the excess payment as wages, report it on the employee's W-2, and withhold all applicable payroll taxes.

As an example, Georgia, New Jersey, North Carolina, and Ohio allow fringes and per diem as qualified expenditures for their respective production incentive programs.

While the summaries below accurately outline the core 'best practices' for these states, the rules are complex and contain many nuances not covered in this general overview.

### Georgia

Georgia's production incentive allows productions to include employer-paid fringes as qualified expenditures, covering the employer's share of payroll taxes, workers' compensation, and contributions to health and pension plans. These costs are only eligible for labor physically performed in Georgia and are limited to the fringes associated with the applicable compensation caps (i.e., \$500,000).

While Georgia's production incentive allows per diems, including living expenses for non-residents to qualify, it enforces strict documentation rules to verify in-state spending; productions can only claim cash allowances or per diems up to the actual amount spent, which must be substantiated with proof such as hotel receipts or signed lease agreements.

### New Jersey

New Jersey's film tax credit program allows productions to include employer-paid fringe benefits as qualified expenditures. These fringe costs are only eligible for the first \$750,000 of an individual's salary; however, this per-person cap is waived for productions that qualify for a "Studio Partner" or "Film-Lease Partner" designation by making a long-term commitment to production facilities in the state.

In New Jersey, per diems and living allowances for qualified personnel can be included as production expenses, but only if they are treated as taxable compensation and paid through payroll.

Payments to loan-outs or independent contractors require a mandatory 6.37% tax withholding, while living allowances for any individual require additional proof of in-state lodging, such as a lease agreement or hotel receipt. These allowances are considered compensation and count towards the standard \$750,000 per-person salary cap; again, this cap is waived for productions that have earned a "Studio Partner" or "Film-Lease Partner" designation.

#### North Carolina

North Carolina's film incentive program allows productions to include employer-paid fringe benefits, such as payroll taxes and contributions for health and retirement plans, as qualifying expenses. However, these costs are subject to the state's overall compensation cap, meaning only the fringe benefits associated with an individual's first \$1 million in qualifying compensation are eligible for the grant.

North Carolina's film incentive program is notably competitive as it explicitly allows per diems, living expenses, and stipends to be included as qualifying expenses. These costs are not subject to the state's \$1 million individual compensation cap, provided they are properly documented and incurred for work performed within North Carolina.

#### Ohio

Ohio's film incentive program allows productions to include employer-paid fringe benefits as qualified expenditures, covering costs such as payroll taxes, workers' compensation, and contributions to health and retirement plans. These costs qualify in full, as Ohio does not have a per-person compensation cap, provided the related labor is for services physically performed in the state.

Ohio's film incentive program also allows per diems and living expenses for non-resident cast and crew to qualify, provided these costs are for goods and services acquired within the state.



To be eligible, productions must provide verifiable documentation, with direct payments to Ohio-based vendors like hotels being the most straightforward way to ensure the expenditure qualifies.

Again, fringes and per diem are allowable expenditures in virtually every competitive state production incentive in the country.

While including fringes and per diem is critical, states often impose additional requirements, such as minimum spend thresholds or project caps, which can further influence a program's competitiveness. These factors should be evaluated alongside qualified expenditures to ensure a state's incentive remains attractive to high-budget productions.

In conclusion, including these expenditures is not about increasing costs; it's about maximizing the program's effectiveness. Adopting the national standard for fringes and a competitive best practice for per diems would make a state instantly more attractive, ensuring every dollar of local spending is captured

*Joseph Chianese*

Joseph D. Chianese

Senior Vice President & Practice Leader, Production Incentives

***Disclaimer: The information presented in this document is based on general industry knowledge and publicly available data. It should not be construed as legal, tax, or investment advice. The laws and regulations related to film and television incentives are subject to change and vary by jurisdiction.***





**SENATE MEMBERS**

**Robert Stivers**  
President, LRC Co-Chair  
**David Givens**  
President Pro Tempore  
**Max Wise**  
Majority Floor Leader  
**Gerald A. Neal**  
Minority Floor Leader  
**Robby Mills**  
Majority Caucus Chair  
**Reginald Thomas**  
Minority Caucus Chair  
**Mike Wilson**  
Majority Whip  
**David Yates**  
Minority Whip



**LEGISLATIVE RESEARCH COMMISSION**

State Capitol 700 Capital Avenue Frankfort KY 40601

**502-564-8100**

Capitol Fax 502-564-2922

Annex Fax 502-564-6543

[legislature.ky.gov](http://legislature.ky.gov)

**Jay D. Hartz**  
Director

**HOUSE MEMBERS**

**David W. Osborne**  
Speaker, LRC Co-Chair  
**David Meade**  
Speaker Pro Tempore  
**Steven Rudy**  
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**Pamela Stevenson**  
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Minority Caucus Chair  
**Jason Nemes**  
Majority Whip  
**Lindsey Burke**  
Minority Whip

**MEMORANDUM**

**TO:** Matthew Wingate, General Counsel, Cabinet for Economic Development

**FROM:** Emily Caudill, Regulations Compiler

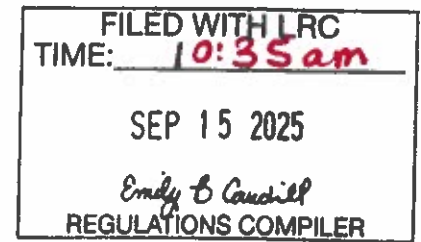
**RE:** Emergency Amended After Comments – 307 KAR 001:080E

**DATE:** September 15, 2025

A copy of the Emergency Amended After Comments and the Statement of Consideration for the emergency administrative regulation listed above is enclosed for your file. If this emergency administrative regulation follows the standard KRS Chapter 13A timeline, it would be tentatively scheduled for review by the Administrative Regulation Review Subcommittee at its **OCTOBER 2025** meeting. Please notify the proper person(s) of this meeting.

If you have questions, please contact us at [RegsCompiler@kylegislature.gov](mailto:RegsCompiler@kylegislature.gov) or (502) 564-8100.

Enclosure



1 CABINET FOR ECONOMIC DEVELOPMENT

2 (Emergency Amended After Comments)

3 307 KAR 1:080E. Kentucky Entertainment Incentive Program (Effective July 1, 2025).

4 RELATES TO: KRS 154.61-010, 154.61-020, 154.61-030

5 STATUTORY AUTHORITY: KRS 154.61-030(5), 2025 Ky. Acts ch. 91, sec. 1 (2025 SB 1)

6 NECESSITY, FUNCTION, AND CONFORMITY: KRS 154.61-010, 154.61-020, 154-61-030,  
7 and 2025 Ky. Acts ch. 91, sec. 1 (2025 SB 1), authorize the Kentucky Film Office and Kentucky  
8 Film Leadership Council, through the Cabinet for Economic Development and its Secretary, to  
9 establish procedures and standards for the Kentucky Entertainment Incentive Program. This  
10 administrative regulation establishes the application, criteria, fee structure, and economic analysis  
11 to evaluate applications for the KRS Chapter 154.61 incentives.

12 Section 1. Definitions.

13 (1) "Above-the-line production crew" is defined by KRS 154.61-010(1).

14 (2) "Approved company" is defined by KRS 154.61-010(3).

15 (3) "Applicant" means an eligible company submitting an application for incentives under KRS  
16 154.61-030.

17 (4) "Application" means an Application for Kentucky Entertainment Incentive  
18 (KEI)[application] for tax incentives filed with the Cabinet pursuant to KRS 154.61-030.

19 (5) "Below-the-line production crew" is defined by KRS 154.61-010(4).

20 (6) "Cabinet" is defined by KRS 154.61-010(5).

(7) "Commonwealth" is defined by KRS 154.61-010(6). (8) "Common ownership" means two or more legal entities, such as corporations, limited liability companies, partnerships, and the like, where the:

(a) ~~[The]~~Entities are owned by the same person(s);

(b) ~~[The]~~Same person(s) serves as officer(s) or director(s) of those entities; or

(c) ~~[The]~~Majority of one entity is owned by one or more of the other entities.

(9) "Compensation" is defined by KRS 154.61-010(7).

(10) "Continuous film production" is defined by KRS 154.61-010(8).

(11) "Council" is defined by KRS 154.61-010(9).

(12) "Eligible company" is defined by KRS 154.61-010(11).

(13) "Employee" is defined by KRS 154.61-010(12).

(14) "Enhanced incentive county" is defined by KRS 154.61-010(13).

(15) "Financial interest" means a pecuniary interest that a reasonable person would expect to influence the impartiality of the transaction.

(16) "Kentucky-based company" is defined by KRS 154.61-010(16).

(17) "Kentucky Film Office" means the office created~~[is defined]~~ by KRS 154.12-280~~[2025 Ky. Acts ch. 91, sec. 1]~~.

(18) "Kentucky vendor" means an individual or entity that:

(a) Sells or rents a type of property of which more than a de minimis amount is regularly held in its inventory in the ordinary course of business in Kentucky, or provides a service not performed at the filming or production site but in Kentucky, which is the subject of the production expenditure, in its ordinary course of business;

1 (b) Has a physical location in Kentucky with at least one Kentucky resident employee  
2 working at such location on a regular basis. Registering with the Kentucky Secretary of State or  
3 appointing a registered agent in Kentucky does not establish a physical location in Kentucky for  
4 purposes of this definition;

5 (c) Is registered with the Kentucky Department of Revenue for collection of sales and  
6 use tax where required by law;

7 (d) Has a local Kentucky business license where required by law. The approved  
8 company is required to obtain a copy of the license from any Kentucky vendor where the total  
9 amount of purchases exceed \$50,000 for such vendor during the period considered in the  
10 application and approval by the council; and

11 (e) Provides[For] services rendered on set or within the Commonwealth and;~~[, such~~  
12 ~~persons or vendors providing such services, are]~~

13 1. Is identified on the daily production reports; or

14 2. Can provide other reasonable evidence that such services were rendered within  
15 the Commonwealth.~~[on set is provided;]~~

16 (19) "Negotiated" means an arm's-length transaction between two or more parties who are  
17 unrelated and unaffiliated, and entered into voluntarily in an open market where the parties acted  
18 in their own self-interest.

19 (20) "Non-resident" is any individual not meeting the definition of a "resident" under KRS  
20 154.61-010(22).

21 (21) "Pass-through entity" is defined by KRS 141.010(28).

22 (22) "Person" is defined by KRS 154.61-010(20).

(23) "Program" means the Kentucky Entertainment Incentive Program established by KRS 141.383, 154.61-020, and 154.61-030.

(24) "Qualifying expenditure" is defined by KRS 154.61-010(21).

**(25) "Qualifying Kentucky crew training program" means a training program offered in conjunction with a motion picture or entertainment production, as defined by KRS 154.61-010(18), in partnership with:**

**(a) An accredited Kentucky educational institution;**

**(b) A local trade association; or**

**(c) A regional educational or trade association.**

**(26) [(25)]** "Qualifying payroll expenditure" is defined by KRS 154.61-010(22).

**(27) [(26)]** "Resident" is defined by KRS 154.61-010(23).

## Section 2. Qualifying Payroll Expenditures under the Kentucky Entertainment Incentive Program.

(1) Qualifying payroll expenditures submitted to the Cabinet by an approved company shall only include those expenditures made in Kentucky for services performed in the Commonwealth by above-the-line production crew or below-the-line production crew.

(2) When submitting qualifying payroll expenditures for above-the-line production crew, an approved company shall demonstrate to the Cabinet that the employee's salary was negotiated prior to commencement of the production. Salaries paid to **above-the-line production crew [producers]** with a financial interest in the approved company **shall be disclosed and accompanied by supporting documentation, to the Cabinet's satisfaction, demonstrating the payroll expenditure was reasonable within market rates. Financial interest shall extend to parent companies, subsidiaries, or any other related individuals or entities deriving income,**

1 ~~profits, or loss from the approved company~~~~[shall not be considered negotiated and shall not~~  
2 ~~meet the requirements of a qualifying payroll expenditure]~~.

3 (3) When submitting qualifying payroll expenditures made in the Commonwealth for services  
4 performed in the Commonwealth, an approved company shall demonstrate to the Cabinet that the  
5 employee rendered the service on-set or otherwise within the Commonwealth. Compensation for  
6 services conducted or rendered both in the Commonwealth and outside of the Commonwealth shall  
7 only qualify as a qualified payroll expenditure to the extent the service is physically rendered in  
8 the Commonwealth. If an approved company is unable to track the cost of the services physically  
9 rendered in Commonwealth, then some other reasonable method which approximates the cost of  
10 the services rendered in the Commonwealth may be used to determine the amount attributable to  
11 the Commonwealth subject to adjustment by the Cabinet.

12 (4) Failing to provide documentation when requested by the Cabinet shall result in  
13 expenditures being disqualified and the claimed qualifying payroll expenditure being  
14 excluded.

15 Section 3. Qualifying Expenditures under the Kentucky Entertainment Incentive Program.

16 (1) An approved company submitting qualifying expenditures to the Cabinet shall only include  
17 expenditures made in the Commonwealth for one or more of the categories listed in KRS 154.61-  
18 010(21)(a)(1) through (9).

19 (2) Expenditures shall be considered made in the Commonwealth where they are made to a  
20 Kentucky vendor.

21 (3) Expenditures shall not be considered to be made in the Commonwealth when those  
22 expenditures are paid to a Kentucky vendor acting as a conduit, waypoint, or pass-through entity  
23 solely to enable the purchases or rentals to qualify as qualifying expenditures.

(4) Expenditures made to persons with common ownership or a financial interest with an approved company ~~shall~~**[must]** be accompanied by supporting documentation, to the Cabinet's satisfaction, demonstrating the expenditure was reasonable within market rates. **Supporting documentation shall disclose the total value of goods and services provided for the project as well as a breakdown of all such related party transactions.** Common ownership **shall extend****[extends]** to parent companies, subsidiaries, or any other related individuals or entities deriving income, profits, or loss from the approved company.

(5) Failing to provide documentation when requested by the Cabinet shall result in expenditures being disqualified and the claimed qualifying expenditure being excluded.

#### Section 4. Application Requirements.

(1) Applicants seeking incentives under the program shall submit an Application **for Kentucky Entertainment Incentive (KEI)** to the Cabinet that includes:

(a) The name and address of the applicant;

(b) Verification that the applicant is a Kentucky-based company;

(c) The preliminary production script or a detailed synopsis of the script;

(d) The locations where the filming or production will occur;

(e) The anticipated date on which filming or production shall begin in Kentucky;

(f) The anticipated date on which the applicant will complete incurring expenditures in Kentucky;

(g) The total anticipated qualifying expenditures;

(h) The total anticipated qualifying payroll expenditures for resident and nonresident above-the-line crew by county;



1 (i) The total anticipated qualifying payroll expenditures for resident and nonresident below-  
2 the-line crew by county;

3 (j) The address of a Kentucky location at which records of the production will be kept;

4 (k) An affirmation that if not for the incentive offered under this subchapter, the eligible  
5 company would not film or produce the production in the Commonwealth;

6 (l) Proof of funding for the project. ~~[Acceptable]~~Proof shall **demonstrate fifty (50)**  
7 **percent of funds raised through the following[include]:**

8 1. IATSE Bonds, SAG Bonds, Completion Bonds;

9 2. Payroll statements;

10 3. Bank statements;

11 4. Financing or funding **contracts[agreements]**; or

12 5. Commitment letters, **where the applicant shall:**

13 **a. Demonstrate twenty-five (25) percent of committed funds are held in**  
14 **an escrow account; and**

15 **b. Present a balance sheet and letter from an accredited financial**  
16 **institution, attorney, or accountant holding the funds.**

17 (m) Whether the applicant has a distribution contract for the project **and supporting plans**  
18 **and documentation regarding distribution;[-and]**

19 (n) Whether the applicant has previously received approval for incentives under the  
20 program, and, if so, shall specify the year(s) of such approval and amount(s) of incentives received  
21 in each year. This information shall include incentives received by any other entity with common  
22 ownership or any individual with a financial interest in the applicant. Common ownership extends

1 to parent companies, subsidiaries, or any other related individuals or entities deriving income,  
2 profits, or loss from the applicant;

3 **(o) The number of resident and nonresident above-the-line and below-the-line**  
4 **production crew members included by the applicant, or any other entity with common**  
5 **ownership or any individual with a financial interest in the applicant, on a previous**  
6 **application. This information shall include:**

7 **1. The date of the application;**

8 **2. Whether the application was approved;**

9 **3. The dates upon which the crew members were or are to be utilized; and**

10 **4. Each crew member's role in the production;**

11 **(p) Any deal memoranda between applicants and key personnel;**

12 **(q) A detailed episode-by-episode synopsis and committed talent;**

13 **(r) A detailed breakdown of the project's budget including all estimated line items**  
14 **used to support claimed qualifying payroll expenditures and qualifying expenditures. All**  
15 **budget line items shall be reasonable and within market rates;**

16 **(s) A detailed explanation of timing of the production in the event there are commonly**  
17 **held or financially interested applicants with overlapping personnel; and**

18 **(t) Whether there are one (1) or more qualifying Kentucky crew training programs**  
19 **offered in conjunction with the project.**

20 (2) Applicants shall submit a completed application no later than thirty (30) calendar days prior  
21 to the date upon which applicant seeks to have the application reviewed by the council.

22 (3) Within twenty (20) calendar days of receiving an application, the **Kentucky Film**  
23 **Office[Cabinet]** shall notify the applicant:

1 (a) That the Kentucky Film Office~~[Cabinet]~~ received the application;

2 (b) Whether, upon initial review, the applicant appears to meet the criteria of an eligible  
3 company or whether the Kentucky Film Office~~[Cabinet]~~ requires additional verification or  
4 documentation; and

5 (c) That~~[, provided the applicant has not exceeded the individual incentive limitation~~  
6 ~~set forth in Section 5 of this regulation,]~~ either:

7 1. Based upon the annual allocated funds for the program, enough uncommitted  
8 incentives remain in the program's calendar year to move forward with an economic analysis and  
9 ranking of the application and notification to the council thereof; or

10 2. Based upon the remaining annual allocated funds for the program, the Kentucky  
11 Film Office~~[Cabinet]~~ will not move forward with the application.

12 Section 5. Incentive Awards. To effectuate the purposes of the program set forth in KRS  
13 154.61-020(1),~~1~~:

14 ~~(1) the amount of incentive awards received by any single approved company, not~~  
15 ~~otherwise meeting the definition of continuous film production, shall be limited to no more~~  
16 ~~than ten percent (10%) of the total annual tax credit cap under KRS 154.61-020(4). In~~  
17 ~~determining whether this limit has been met, the Cabinet shall consider the applicant in~~  
18 ~~conjunction with any approved company sharing common ownership or a financial interest~~  
19 ~~with the applicant; and~~

20 ~~(2)]~~ the amount of incentive awards approved for all applicants in any single calendar month,  
21 not otherwise meeting the definition of continuous film production, shall be limited to no more  
22 than ten million dollars (\$10,000,000)~~[ten percent (10%)]~~ of the total annual tax credit cap under  
23 KRS 154.61-020(4). ~~If~~~~[In the event]~~ the amount of incentive awards approved does not meet the

~~ten-million-dollar (\$10,000,000)[ten-percent (10%)]~~ limitation set forth in this subsection, the remainder shall carry forward to the subsequent calendar month. The council may elect to commit more than this monthly allocation in the event a project:

(1) Has anticipated qualifying expenditures and payroll expenditures that exceed this amount; and

(2) Commitment of incentives to the project is supported by the economic analysis set forth in Section 6 of this administrative regulation.

#### Section 6. Economic Analysis.

(1) The Cabinet shall conduct an economic analysis of each application.

(2) The analysis shall evaluate each application on the:

(a) ~~[The-]~~Percentage of spend in the Commonwealth in relation to the total amount anticipated to be spent on a project;

(b) ~~[The-]~~Relative percentage of total production costs associated with~~[in Kentucky compared to]~~ above-the-line and below-the-line production crew costs;

(c) ~~[The anticipated-]~~Percentage of project filming or production in enhanced incentive counties;

(d) Number~~[the percentage]~~ of anticipated employed Kentucky residents compared to the~~[and]~~ total above-the-line and below-the-line production crew;

(e) ~~[The-]~~Amount of time filming or production will occur in Kentucky;~~[-and]~~

(f) ~~[The-]~~Presence of a distribution contract;

(g) Percentage of funding secured;

(h) Total amount of incentives sought compared to the number of Kentucky-based below-the-line production crew members employed;

1           **(i) Percentage of incentives sought attributable to non-Kentucky-based production**  
2           **crew members; and**

3           **(j) Availability of one (1) or more qualifying Kentucky crew training programs**  
4           **offered in conjunction with the project.**

5           (3) **The Cabinet shall conduct an economic analysis of**~~[The Cabinet shall then rank]~~ each  
6 application submitted under the program based upon the program's purposes set forth in KRS  
7 154.61-020(1)(a) through (d). **Analysis**~~[Ranking]~~ shall prioritize applications with more  
8 Kentucky-based jobs, **committed funding, employed spend to Kentucky-based vendors**  
9 **residents, qualifying Kentucky crew training programs, and overall economic benefit to**  
10 **Kentucky**~~[percentage of spend going to Kentucky-based vendors]~~ in relation to the total  
11 amount of proposed spend on a project or incentives sought by an eligible company.

12           (4) **For a national touring production of a Broadway show produced in Kentucky in**  
13 **accordance with KRS 154.61-010(18)(a)2., the number of anticipated employed Kentucky**  
14 **residents identified in subsection (2)(d) of this section shall include the number of Kentucky-**  
15 **based jobs at the production's venue supported by the production.**

16           (5) Upon completion of the project, submission of qualifying expenditures and qualifying  
17 payroll expenditures, and certification of eligible expenditures by an independent certified public  
18 accountant, the Cabinet may reduce the approved incentive amount to an approved company based  
19 upon the variation between the approved company's application for incentives and actual  
20 expenditures submitted to the Cabinet.

21 Section 7. Fees. Applicants seeking incentives under the program shall include with their  
22 application:

23           (1) A nonrefundable application fee in the amount of:

1 (a) ~~[Two hundred fifty dollars-(\$250{ })]~~ where the total amount of qualifying  
2 expenditures and qualifying payroll expenditures is less than~~[fifty thousand dollars-(\$50,000{ })]~~;

3 (b) ~~[Five hundred dollars-(\$500{ })]~~ where the total amount of qualifying expenditures and  
4 qualifying payroll expenditures is between ~~[fifty thousand dollars-(\$50,000{ })]~~ and ~~[one hundred~~  
5 ~~thousand dollars-(\$100,000{ })]~~; or

6 (c) ~~[One thousand dollars-(\$1,000{ })]~~ where the total amount of qualifying expenditures  
7 and qualifying payroll expenditures is more than ~~[one hundred thousand dollars-(\$100,000{ })]~~;  
8 and

9 (2) An administrative fee of one-half of one percent (0.5%) of the estimated amount of tax  
10 incentive sought or ~~[five hundred dollars-(\$500{ })]~~, whichever is greater.

11 **Section 8. Incorporation by Reference. (1) “Application for Kentucky Entertainment**  
12 **Incentive (KEI)”, September 2025, is incorporated by reference.**

13 **(2) This material may be inspected, copied, or obtained, subject to applicable copyright**  
14 **law, at the Cabinet for Economic Development, Mayo-Underwood Building, 500 Mero**  
15 **Street, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m.**

307 KAR 1:080E  
REVIEWED AND APPROVED:

9/15/2025  
DATE

  
\_\_\_\_\_  
Jeff Noel, Secretary  
CABINET FOR ECONOMIC  
DEVELOPMENT

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation: 307 KAR 1:080E. Kentucky Entertainment Incentive Program.

Agency Contact: Matthew Wingate

Phone Number: (502) 782-1948

Email: matthew.wingate@ky.gov

Contact Person: Dawn Powers

Phone Number: (502) 782-1929

Email: dawn.powers@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the application, criteria, fee structure, and economic analysis to evaluate applications for the Kentucky Entertainment Incentive Program.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to administer the Kentucky Entertainment Incentive Program and Kentucky Film Office as required by statute.

(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation conforms to the content of the authorizing statutes by establishing the application process and review criteria and requirements for the Kentucky Entertainment Incentive Program.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists with the effective administration of the statutes by establishing a framework for prioritizing applications based upon the purpose of the Kentucky Entertainment Incentive Program statutes.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: N/A.

(b) The necessity of the amendment to this administrative regulation: N/A.

(c) How the amendment conforms to the content of the authorizing statutes: N/A.

(d) How the amendment will assist in the effective administration of the statutes: N/A.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: this administrative regulation impacts the applicants to the Kentucky Entertainment Incentive Program.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: Regulated entities will be able to participate in the Kentucky Entertainment Incentive Program through the established process.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): Regulated entities will experience no new



costs in complying with this administrative regulation.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Recipients will be able to participate in the Kentucky Entertainment Incentive Program.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: No expenses or an unknown amount will be incurred.

(b) On a continuing basis: No expenses or an unknown amount will be incurred.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Pursuant to KRS 154.61-020, the total tax incentive amount of the Kentucky Entertainment Incentive Program is \$75,000,000. Sources of funding for staffing are provided from General Funds provided to the Cabinet and restricted funds from application fees as set by KRS 154.61-030(5) and two and one-half percent (2.5%) of the transient room tax collected pursuant to KRS 142.400, up to the maximum amount of five hundred thousand dollars (\$500,000) for the period beginning July 1, 2025, and ending June 30, 2027, as set by **KRS 154.12-280**~~[2025 Ky. Acts ch. 91, sec. 1]~~(4).

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: Neither an increase in fees nor funding will be necessary to implement this administrative regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: KRS 154.61-030(5) establishes the fees used in this administrative regulation. This regulation does not increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering was not appropriate in this administrative regulation because the administrative regulation applies equally to all applicants.

## FISCAL IMPACT STATEMENT

Administrative Regulation: 307 KAR 1:080E. Kentucky Entertainment Incentive Program.  
Agency Contact: Matthew Wingate  
Phone Number: (502) 782-1948  
Email: matthew.wingate@ky.gov

Contact Person: Dawn Powers  
Phone Number: (502) 782-1929  
Email: dawn.powers@ky.gov

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 154.12-280, 154.61-010, 154.61-020, 154.61-030[, ~~2025 Ky. Acts ch. 91, sec. 1~~].

(2) Identify the promulgating agency and any other affected state units, parts, or divisions: Cabinet for Economic Development, other agencies have not been identified.

(a) Estimate the following for the first year:

Expenditures: The Cabinet does not anticipate expenditures as a result of this administrative regulation.

Revenues: The Cabinet does not anticipate revenues as a result of this administrative regulation.

Cost Savings: The Cabinet does not anticipate cost savings as a result of this administrative regulation.

(b) How will expenditures, revenues, or cost savings differ in subsequent years? The Cabinet does not expect a change to revenues or cost savings in subsequent years.

(3) Identify affected local entities (for example: cities, counties, fire departments, school districts): N/A

(a) Estimate the following for the first year:

Expenditures: The Cabinet does not anticipate expenditures as a result of this administrative regulation.

Revenues: The Cabinet does not anticipate revenues as a result of this administrative regulation.

Cost Savings: The Cabinet does not anticipate cost savings as a result of this administrative regulation.

(b) How will expenditures, revenues, or cost savings differ in subsequent years? The Cabinet does not expect a change to revenues or cost savings in subsequent years.

(4) Identify additional regulated entities not listed in questions (2) or (3): Additional regulated entities include applicants to the Kentucky Entertainment Incentive Program.

(a) Estimate the following for the first year:

Expenditures: The Cabinet does not anticipate expenditures as a result of this administrative regulation.

Revenues: The Cabinet does not anticipate revenues as a result of this administrative regulation.

**Cost Savings:** The Cabinet does not anticipate cost savings as a result of this administrative regulation.

**(b) How will expenditures, revenues, or cost savings differ in subsequent years?**

**Expenditures:** The Cabinet does not anticipate expenditures as a result of this administrative regulation.

**Revenues:** The Cabinet does not anticipate revenues as a result of this administrative regulation.

**Cost Savings:** The Cabinet does not anticipate cost savings as a result of this administrative regulation.

**(5) Provide a narrative to explain the:**

**(a) Fiscal impact of this administrative regulation:** The administrative regulation implements the application process and review criteria and requirements for the Kentucky Entertainment Incentive Program. The administrative regulation does not create a fiscal impact.

**(b) Methodology and resources used to determine the fiscal impact:** N/A.

**(6) Explain:**

**(a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2) - (4). (\$500,000 or more, in aggregate):** The administrative regulation will not have a major economic impact – as defined by KRS 13A.010 – on regulated entities.

**(b) The methodology and resources used to reach this conclusion:** This administrative regulation does not create a fiscal impact.

**STATEMENT OF CONSIDERATION  
RELATING TO 307 KAR 1:080E**

**Cabinet for Economic Development  
(Amended After Comments)**

- I. The public hearing on 307 KAR 1:080E, was scheduled for August 26, 2025, at the Cabinet for Economic Development, Mayo Underwood Building, 500 Mero Street, Frankfort, Kentucky 40601, and was properly publicized and posted on the Cabinet's website. While the hearing was held, no members of the public attended, and no comments were received at the hearing. Written comments were, however, received in writing during the public comment period for 307 KAR 1:080E.

- II. The following people submitted written comments:

<u>Name and Title</u>	<u>Agency/Organization/Entity/Other</u>
Soozie Eastman, Chair	Kentucky Film Leadership Council
The Motion Picture Association	The Motion Picture Association

- III. The following people from the promulgating administrative body responded to the written comments:

<u>Name and Title</u>
Matthew Wingate, General Counsel
Chad Zimlich, Deputy General Counsel

**IV. Summary of Comments and Responses**

- (1) Subject Matter: Qualifying Payroll Expenditures – Producers

(a) Comment: The Kentucky Film Leadership Council – the Council finds it appropriate to soften the prohibition on qualifying payroll expenditures paid to producers with a financial interest in the approved company, as found in Section 2(2). In lieu of prohibition, the Council suggests that, in order for an approved company to receive incentives based upon salaries paid to above-the-line production crew with a financial interest in the approved company, the financial interest be disclosed and accompanied by supporting documentation, to the Council's and Cabinet's satisfaction, demonstrating the payroll expenditure was reasonable within market rates.

- (b) Response: The Cabinet has incorporated the requested changes into Section 2 of the regulation.

(2) Subject Matter: Qualifying Payroll Expenditures and Qualifying Expenditures Reasonable within Market Rates

(a) Comment: The Kentucky Film Leadership Council – the Council finds it appropriate to include a general requirement that applicants demonstrate overall budgets, including payroll expenditures and other expenditures, are reasonable within market rates.

(b) Response: The Cabinet has incorporated the requested changes into Sections 2, 3 and 4 of the regulation.

(3) Subject Matter: Single Applicant Annual Incentive Cap

(a) Comment: The Kentucky Film Leadership Council – the Council finds it appropriate to remove the limitation on the total annual amount of incentive awards able to be received by any single approved company found in Section 5(1) to encourage greater diversity of potential approved companies.

(b) Response: The Cabinet has incorporated the requested changes into Section 5 of the regulation.

(4) Subject Matter: Monthly Incentive Cap

(a) Comment: The Kentucky Film Leadership Council – the Council finds it appropriate to change the limitation on the monthly approved incentives found in Section 5(2) from ten percent (10%) of the total annual tax credit cap to ten million dollars (\$10,000,000) of incentive allocations per month to allow the Council more flexibility to allocate these funds earlier in the year. In addition, allow the Council the ability to commit more than this cap in a month in the event a well-scoring project's anticipated qualifying expenditures and payroll expenditures exceeds this amount.

(b) Response: The Cabinet has incorporated the requested changes into Section 5 of the regulation.

(5) Subject Matter: Proof of Funding Requirements for Applicants

(a) Comment: The Kentucky Film Leadership Council – the Council finds it appropriate to strengthen the proof of funding requirements throughout the regulation, requiring at least fifty percent (50%) of the project funding to be committed as demonstrated through bonds, payroll statements, bank statements, or financing and funding contracts. The Council likewise recommends, in the event the project is reliant upon a commitment letter, applicants must demonstrate twenty-five percent (25%) of committed funds in an escrow account, along with presenting a corresponding balance sheet or letter from an accredited financial institution, attorney, or accountant holding the funds.

(b) Response: The Cabinet has incorporated the requested changes into Section 4 of the regulation.

(6) Subject Matter: Cabinet's Economic Analysis of Applications

(a) Comment: The Kentucky Film Leadership Council – the Council recommends the Cabinet include within the economic analysis in Section 6 the following analyses:

1. Whether the project is fully funded;
2. What percentage of the project's overall spend will be in Kentucky;
3. The number of employed Kentucky residents compared to the total crew;
4. The ratio of total amount of incentives sought compared to the number of Kentucky-based below-the-line production crew members employed (dollar-per-Kentucky-job number);
5. The percentage of incentives sought attributable to non-Kentucky-based production crew members; and
6. Whether the production offers one or more training programs to build a Kentucky crew base. These programs should be associated with: (1) an accredited Kentucky educational institution; (2) a local trade association; or (3) a regional educational or trade association.

(b) Response: The Cabinet has incorporated the requested changes into Section 6 of the regulation. In addition, the Cabinet is creating an exception for touring Broadway productions to allow for inclusion of Kentucky-based employment at the venue in the number of jobs associated with the project, solely for purposes of conducting the economic analysis, so as not to inadvertently disadvantage those projects.

(7) Subject Matter: Information and Documentation Included in Application

(a) Comment: The Kentucky Film Leadership Council – the Council finds it appropriate to request additional information from applicant companies, including:

1. plans and related documentation regarding distribution;
2. deal memos between applicant companies and key personnel;
3. detailed episode-by-episode synopsis and committed talent;
4. detailed breakdowns of budgets, including all estimated line items used to support claimed qualifying payroll expenditures and qualifying expenditures; and
5. detailed explanation of timing of production in the event there are commonly held or related applicants with overlapping personnel.

(b) Response: The Cabinet has incorporated the requested changes into Section 4 of the regulation.

(8) Subject Matter: Continuous Film Production Designation

(a) Comment: The Motion Picture Association – the Motion Picture Association requests aggregating consideration of series of episodes or separate feature films produced by the same production company or commonly-owned companies to meet the requirements of a Continuous Film Production, and to allow flexibility for film productions that cross over calendar years.

(b) Response: This regulation does not address the continuous film production designation, but the Cabinet has referred this comment to the Kentucky Entertainment Incentive Program's Kentucky Film Leadership Council for its input. In addition, flexibility over calendar years is prohibited by statute and would require a legislative change to address.

(9) Subject Matter: Altering Above-the-Line Production Crew Limitation

(a) Comment: The Motion Picture Association – the Motion Picture Association requests changes to clarify that fringe benefits and per diem are included in the definition of qualifying expenditures for the purposes of the program.

(b) Response: This regulation does not prohibit the inclusion of fringe benefits or per diem within an applicant's application for incentives under the program. The Cabinet has referred this comment to the Kentucky Entertainment Incentive Program's Kentucky Film Leadership Council for its input, and the Council has indicated approval to including fringe benefits and per diem within the definition of compensation as a matter of policy. As indicated in the Application for Kentucky Entertainment Incentive (KEI), incorporated by reference in Section 8 of this regulation, the detailed breakdown of a project's estimated line items used to support claimed qualifying payroll expenditures and qualifying expenditures required by Section 4(1)(r) includes line item breakdowns of fringe and per diem, which shall be reasonable and within market rates.

(10) Subject Matter: Identification of Vendors on Daily Production Reports

(a) Comment: The Motion Picture Association – the Motion Picture Association requests that the regulation no longer require persons or vendors providing services rendered on set be identified on the daily production reports or that the production provides other reasonable evidence that such services were rendered on set.

(b) Response: The regulation has been changed to clarify that an applicant can provide other reasonable evidence that a vendor provided services on-set or within the Commonwealth in lieu of requiring a reference on the project's daily production report.

V. Summary of Statement of Consideration and  
Action Taken by Promulgating Administrative Body

The public hearing on this administrative regulation was held, but no members of the public attended; however, written comments were received. The Cabinet for Economic Development responded to the comments and amends the administrative regulation as follows:

Page 2

Line 3

After "Kentucky Entertainment Incentive Program", insert "**(Effective July 1, 2025)**".

Page 2

Section 1

Line 17

After "an", insert "**Application for Kentucky Entertainment Incentive (KEI)**".

Delete "application".

Page 3

Section 1

Line 15

After "Office", insert "**means the office created by KRS 154.12-280**".

Delete "is defined by 2025 Ky. Acts ch. 91, sec. 1".

Page 3

Section 1

Line 19

After "filming", insert "**or production**".

Page 4

Section 1

Line 9

After "e.", insert "**Provides**".

Delete "For".

Page 4

Section 1

Line 9

After "set", insert "**or within the Commonwealth and:**".

Delete ", such persons or vendors providing such services, are".

Page 4

Section 1

Line 10

Before "identified", begin a new line and insert "**1. Is**".



Page 4  
Section 1  
Line 10

After "reports", insert "1".

Page 4  
Section 1  
Line 10

After "or", begin a new line and insert "**2. Can provide**".

Page 4  
Section 1  
Line 11

After "rendered", insert "**within the Commonwealth.**".  
Delete "on set is provided;".

Page 4  
Section 1  
Line 21

After "KRS 154.61-010(21)", begin a new line and insert the following:

**(25) "Qualifying Kentucky crew training program" means a training program offered in conjunction with a motion picture or entertainment production, as defined by KRS 154.61-010(18), in partnership with:**  
**(a) An accredited Kentucky educational institution;**  
**(b) A local trade association; or**  
**(c) A regional educational or trade association.**

Page 4  
Section 1  
Line 22

After "2", insert "**6**".  
Delete "5".

Page 4  
Section 1  
Line 23

After "2", insert "**7**".  
Delete "6".

Page 5  
Section 2  
Line 8

After "to", insert "**above-the-line production crew**".  
Delete "producers".

Page 5  
Section 2  
Line 9

After “company”, insert the following:

**shall be disclosed and accompanied by supporting documentation, to the Cabinet’s satisfaction, demonstrating the payroll expenditure was reasonable within market rates. Financial interest shall extend to parent companies, subsidiaries, or any other related individuals or entities deriving income, profits, or loss from the approved company.”**

Delete “shall not be considered negotiated and shall not meet the requirements of a qualifying payroll expenditure.”.

Page 5  
Section 2  
Line 19

After “Cabinet”, begin a new line and insert the following:

**(4) Failing to provide documentation when requested by the Cabinet shall result in expenditures being disqualified and the claimed qualifying payroll expenditure being excluded.**

Page 6  
Section 3  
Line 7

After “company”, insert “**shall**”.

Delete “must”.

Page 6  
Section 3  
Line 8

After “rates.”, insert the following:

**Supporting documentation shall disclose the total value of goods and services provided for the project as well as a breakdown of all such related party transactions.**

Page 6  
Section 3  
Line 9

After “ownership”, insert “**shall extend**”.

Delete “extends”.

Page 6  
Section 4  
Line 14

After “an”, insert “**Application for Kentucky Entertainment Incentive (KEI)**”.

Delete “application”.

Page 7

Section 4

Line 8

After "project.", insert "**Proof shall demonstrate fifty (50) percent of funds raised through the following**".

Delete "Acceptable proof shall include".

Page 7

Section 4

Line 9

After "IATSE", insert "**Bonds, SAG Bonds, Completion Bonds**".

Delete "Bond, SAG Bond, Completion Bond".

Page 7

Section 4

Line 12

After "funding", insert "**contracts**".

Delete "agreements".

Page 7

Section 4

Line 13

After "letters", insert the following:

**, where the applicant shall:**

**1. Demonstrate twenty-five percent (25%) of committed funds are held in an escrow account; and**

**2. Present a balance sheet and letter from an accredited financial institution, attorney, or accountant holding the funds.**

Page 7

Section 4

Line 14

After "project", insert "**and supporting plans and documentation regarding distribution**".

Delete "and".

Page 7

Section 4

Line 20

After "applicant", insert the following:

**(o) The number of resident and nonresident above-the-line and below-the-line production crew members included by the applicant, or any other entity with common ownership or any individual with a financial interest in the applicant, on a previous application. This information shall include:**

**1. The date of the application;**

- 2. Whether the application was approved;**  
**3. The dates upon which the crew members were or are to be utilized; and**  
**4. Each crew member's role in the production;**  
**(p) Any deal memoranda between applicants and key personnel;**  
**(q) A detailed episode-by-episode synopsis and committed talent;**  
**(r) A detailed breakdown of the project's budget including all estimated line items used to support claimed qualifying payroll expenditures and qualifying expenditures. All budget line items must be reasonable and within market rates;**  
**(s) A detailed explanation of timing of the production in the event there are commonly held or financially interested applicants with overlapping personnel;**  
**and**  
**(t) Whether there are one (1) or more qualifying Kentucky crew training programs offered in conjunction with the project.**

Page 8  
Section 5  
Line 1

After "application, the", insert "**Kentucky Film Office**"  
Delete "Cabinet".

Page 8  
Section 5  
Line 3

After "that the", insert "**Kentucky Film Office**"  
Delete "Cabinet".

Page 8  
Section 5  
Line 5

After "whether the", insert "**Kentucky Film Office**"  
Delete "Cabinet".

Page 8  
Section 5  
Line 11

After "program, the", insert "**Kentucky Film Office**"  
Delete "Cabinet".

Page 8  
Section 5  
Line 6

Delete ", provided the applicant has not exceeded the individual incentive limitation set forth in Section 5 of this regulation,".

Page 8  
Section 5  
Line 14

After "KRS 154.61-020(1)", insert "1".

Delete ": (1) the amount of incentive awards received by any single approved company, not otherwise meeting the definition of continuous film production, shall be limited to no more than ten percent (10%) of the total annual tax credit cap under KRS 154.61-020(4). In determining whether this limit has been met, the Cabinet shall consider the applicant in conjunction with any approved company sharing common ownership or a financial interest with the applicant; and".

Page 8  
Section 5  
Line 20

Delete "(2)".

Page 8  
Section 5  
Line 22

After "ten", insert "**million dollars (\$10,000,000)**".

Delete "percent (10%)" and "In the event".

Page 9  
Section 5  
Line 1

Before "the", insert "**If**".

Page 9  
Section 5  
Line 1

After "ten", insert "**-million-dollar (\$10,000,000)**".

Delete "percent (10%)".

Page 9  
Section 5  
Line 2

After "month.", insert "**The council may elect to commit more than this monthly allocation in the event a project:**

**(1) Has anticipated qualifying expenditures and payroll expenditures that exceed this amount; and**

**(2) Commitment of incentives to the project is supported by the economic analysis set forth in Section 6 of this administrative regulation."**

Page 9

Section 6

Line 5

After “on”, insert “**the**”.

Page 9

Section 6

Line 6

Capitalize “**percentage**”.

Delete “the”.

Page 9

Section 6

Line 8

After “(b)”, insert “**Relative**”.

After “costs”, insert “**associated with**”.

Delete “the” and “in Kentucky compared to”.

Page 9

Section 6

Line 10

Capitalize “**percentage**”.

After “filming”, insert “**or production**”

Delete “the anticipated”.

Page 9

Section 6

Line 11

After “(d)”, insert “**Number**”.

After “residents”, insert “**compared to the**”.

Delete “the percentage” and “and”.

Page 9

Section 6

Line 13

Capitalize “**amount**”.

After “filming”, insert “**or production**”

Delete “the” and “and”.

Page 9

Section 6

Line 14

Capitalize “**presence**”.

After “contract”, insert “,”.

Delete “the” and “.”.

Page 9  
Section 6  
Line 14

After "contract.", begin a new line and insert the following:

- (g) Percentage of funding secured;**
- (h) Total amount of incentives sought compared to the number of Kentucky-based below-the-line production crew members employed;**
- (i) Percentage of incentives sought attributable to non-Kentucky-based production crew members; and**
- (j) Availability of one (1) or more qualifying Kentucky crew training programs offered in conjunction with the project;**

Page 9  
Section 6  
Line 15

After "shall", insert "**conduct an economic analysis of**".  
Delete "then rank".

Page 9  
Section 6  
Line 16

Before "shall", insert "**Analysis**".  
Delete "Ranking".

Page 9  
Section 6  
Line 17

After "jobs.", insert "**committed funding, spend to**".  
Delete "employed".

Page 9  
Section 6  
Line 17

After "Kentucky", insert "**-based vendors, qualifying Kentucky crew training programs**".  
Delete "residents".

Page 9  
Section 6  
Line 17

After "and", insert "**overall economic benefit to Kentucky**".  
Delete "percentage of spend going to Kentucky-based vendors".

Page 9  
Section 6  
Line 20

After “(4)”, insert the following:

**For a national touring production of a Broadway show produced in Kentucky in accordance with KRS 154.61-010(18)(a)2., the number of anticipated employed Kentucky residents identified in subsection (2)(d) of this section shall include the number of Kentucky-based jobs at the production’s venue supported by the production.**

**(5)**

Page 10  
Section 7  
Line 14

After “greater.”, begin a new line and insert the following:

**Section 8. Incorporation by Reference. (1) “Application for Kentucky Entertainment Incentive (KEI),” September 2025, is incorporated by reference. (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Cabinet for Economic Development, Mayo-Underwood Building, 500 Mero Street, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m.**





**KENTUCKY FILM LEADERSHIP COUNCIL  
KEI REPORT**

**Date:** September 25, 2025 **FI Number:** 120037  
**Approved Company:** Unwritten LLC  
**Project Name:** Unwritten  
**Counties Where Filming or Production Will Occur:** Daviess, Hopkins

**Activity:** Television Program

**DFS Staff:**

**DFS Staff:** T. Bates

**Project Description:** Unwritten LLC is producing the television program titled "Unwritten."

Unwritten: A Kentucky Journey is a compelling docu-series that delves into the lives of Kentucky's most influential figures who have shaped the cultural, political, and social fabric of the Bluegrass State. Through intimate interviews, archival footage, and immersive storytelling, the series uncovers the untold narratives of trailblazers, activists, artists, and everyday heroes whose legacies have left an indelible mark on Kentucky's history.

Production begins September 25, 2025 - Productions wraps December 30, 2025

**Anticipated Qualifying Project Expenditures:**

	<b>Enhanced Incentive County Expenditures</b>	<b>Other County Expenditures</b>	<b>Total Expenditures</b>
KY Resident, Above-the-line Production Crew		\$20,000	\$20,000
Non-KY Resident, Above-the-line Production Crew			\$0
KY Resident, Below-the-line Production Crew	\$216,649	\$5,000	\$221,649
Non-KY Resident, Below-the-line Production Crew		\$20,000	\$20,000
<b>Total Qualifying Payroll Expenditures</b>	\$216,649	\$45,000	\$261,649
<b>Total Qualifying Non-payroll Expenditures</b>	\$203,351	\$50,000	\$253,351
<b>TOTAL</b>	<b>\$420,000</b>	<b>\$95,000</b>	<b>\$515,000</b>

**Minimum Required Qualifying Project Expenditures:**

**\$125,000**

**Anticipated Production Crew:**

	<b>Kentucky Resident Crew Members</b>	<b>Non-Kentucky Resident Crew Members</b>	<b>Total Production Crew Members</b>
Above-the-line Production Crew	1		1
Below-the-line Production Crew	10	1	11
<b>Total Production Crew Members</b>	<b>11</b>	<b>1</b>	<b>12</b>

**Ownership (20% or more):**

Goldenrod Film and Television 100%

**Other State Participation:**

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
None			

**TOTAL ELIGIBLE TAX INCENTIVE AMOUNT:**

<b>\$176,750</b>
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**KENTUCKY FILM LEADERSHIP COUNCIL  
KEI REPORT**

**Date:** September 25, 2025 **FI Number:** 120100  
**Approved Company:** Omni Productions, LLC  
**Project Name:** Venetian Alibi  
**Counties Where Filming or Production Will Occur:** Fayette

**Activity:** Feature-length Film

**DFS Staff:**

**DFS Staff:** T. Bates

**Project Description:** Omni Productions, LLC is producing a feature-length film titled "Venetian Alibi."

Venetian Alibi: After a whirlwind international romance ends in betrayal, a young American woman must team with a handsome inspector to clear her name—only to discover the shocking identity of the conman behind it all.

Production begins October 1, 2025 - Productions wraps December 31, 2025.

**Anticipated Qualifying Project Expenditures:**

	<b>Enhanced Incentive County Expenditures</b>	<b>Other County Expenditures</b>	<b>Total Expenditures</b>
KY Resident, Above-the-line Production Crew		\$40,000	\$40,000
Non-KY Resident, Above-the-line Production Crew		\$65,000	\$65,000
KY Resident, Below-the-line Production Crew		\$120,000	\$120,000
Non-KY Resident, Below-the-line Production Crew		\$50,000	\$50,000
<b>Total Qualifying Payroll Expenditures</b>	\$0	\$275,000	\$275,000
<b>Total Qualifying Non-payroll Expenditures</b>		\$238,000	\$238,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$513,000</b>	<b>\$513,000</b>

**Minimum Required Qualifying Project Expenditures:** \$125,000

Anticipated Production Crew:

	Kentucky Resident Crew Members	Non-Kentucky Resident Crew Members	Total Production Crew Members
Above-the-line Production Crew	2	4	6
Below-the-line Production Crew	14	3	17
Total Production Crew Members	16	7	23

Ownership (20% or more):

Wrigley Media Group 99%

Other State Participation:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
None			

TOTAL ELIGIBLE TAX INCENTIVE AMOUNT:

\$161,900



**KENTUCKY FILM LEADERSHIP COUNCIL  
KEI REPORT**

**Date:** September 25, 2025 **FI Number:** 120090  
**Approved Company:** Neptune Productions, LLC  
**Project Name:** Designing the Kill  
**Counties Where Filming or Production Will Occur:** Fayette

**Activity:** Television Program  
**DFS Staff:** C. Pennington  
**Project Description:** Neptune Productions, LLC is producing the television program titled, "Designing the Kill".

Designing the Kill is a gripping true crime anthology that delves into the chilling world of premeditated murder. The program is not just about how the murders happened—but why they were designed to happen that way.

Production is set to start by October 1, 2025 and is anticipated to end by February 20, 2026.

**Anticipated Qualifying Project Expenditures:**

	<b>Enhanced Incentive County Expenditures</b>	<b>Other County Expenditures</b>	<b>Total Expenditures</b>
KY Resident, Above-the-line Production Crew	\$0	\$44,000	\$44,000
Non-KY Resident, Above-the-line Production Crew	\$0	\$43,000	\$43,000
KY Resident, Below-the-line Production Crew	\$0	\$122,000	\$122,000
Non-KY Resident, Below-the-line Production Crew	\$0	\$62,450	\$62,450
<b>Total Qualifying Payroll Expenditures</b>	\$0	\$271,450	\$271,450
<b>Total Qualifying Non-payroll Expenditures</b>	\$0	\$678,550	\$678,550
<b>TOTAL</b>	<b>\$0</b>	<b>\$950,000</b>	<b>\$950,000</b>

**Minimum Required Qualifying Project Expenditures:** \$125,000



**Anticipated Production Crew:**

	Kentucky Resident Crew Members	Non-Kentucky Resident Crew Members	Total Production Crew Members
Above-the-line Production Crew	5	3	8
Below-the-line Production Crew	12	4	16
<b>Total Production Crew Members</b>	<b>17</b>	<b>7</b>	<b>24</b>

**Ownership (20% or more):**

Wrigley Media Group                      99%

**Other State Participation:** None

<b>TOTAL ELIGIBLE TAX INCENTIVE AMOUNT:</b>	<b>\$293,300</b>
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**KENTUCKY FILM LEADERSHIP COUNCIL  
KEI REPORT**

**Date:** September 25, 2025 **FI Number:** 120127  
**Approved Company:** Winning Time Inc.  
**Project Name:** Moonlight and Roses  
**Counties Where Filming or Production Will Occur:** Jefferson, Shelby

**Activity:** Feature-length Film

**DFS Staff:** T. Bates

**DFS Staff:** P. McElmurray

**Project Description:** Winning Time, Inc. is producing a feature-length film titled "Moonlight and Roses".

Set in 1932 and present-day Louisville, this story follows two parallel love stories rooted in Churchill Downs and its iconic rose blanket tradition. Immigrant Gloria and wealthy dreamer Lefty struggle with class divides during the Great Depression. Decades later, their descendants, Sadie and Roman, navigate similar challenges amidst Derby preparations. As history echoes across generations, both couples must choose between expectations and the pursuit of love.

Production is set to begin as early as October 27, 2025, and is anticipated to end by November 17, 2025.

**Anticipated Qualifying Project Expenditures:**

	<b>Enhanced Incentive County Expenditures</b>	<b>Other County Expenditures</b>	<b>Total Expenditures</b>
KY Resident, Above-the-line Production Crew	\$46,000	\$142,201	\$188,201
Non-KY Resident, Above-the-line Production Crew	\$184,366	\$693,554	\$877,920
KY Resident, Below-the-line Production Crew	\$334,524	\$1,350,100	\$1,684,624
Non-KY Resident, Below-the-line Production Crew	\$60,479	\$539,310	\$599,789
<b>Total Qualifying Payroll Expenditures</b>	<b>\$625,369</b>	<b>\$2,725,165</b>	<b>\$3,350,534</b>
<b>Total Qualifying Non-payroll Expenditures</b>	<b>\$798,555</b>	<b>\$937,642</b>	<b>\$1,736,197</b>
<b>TOTAL</b>	<b>\$1,423,924</b>	<b>\$3,662,807</b>	<b>\$5,086,731</b>

**Minimum Required Qualifying Project Expenditures:** \$250,000

**Anticipated Production Crew:**

	Kentucky Resident Crew Members	Non-Kentucky Resident Crew Members	Total Production Crew Members
Above-the-line Production Crew	22	3	25
Below-the-line Production Crew	78	14	92
Total Production Crew Members	100	17	117

**Ownership (20% or more):**

David M. Wulf 100%

**Other State Participation:**

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
None			

**TOTAL ELIGIBLE TAX INCENTIVE AMOUNT:** **\$1,671,831**



**KENTUCKY FILM LEADERSHIP COUNCIL  
KEI REPORT**

**Date:** September 25, 2025 **FI Number:** 120137  
**Approved Company:** GM 1 LLC  
**Project Name:** Holler  
**Counties Where Filming  
or Production Will Occur:** Pike

**Activity:** Feature-length Film

**DFS Staff:** B. Tucker

**Project Description:** As children, Dylan and TJ accidentally cause the death of the neighborhood's garbage man, Terry, during a paintball skirmish. Ten years later, the past has come back to haunt the town when a series of murders begins to mimic the urban legends of how Terry died.

This project has an anticipated production start date of October 1, 2025, and an anticipated production end date of November 15, 2025.

**Anticipated Qualifying Project Expenditures:**

	<b>Enhanced Incentive County Expenditures</b>	<b>Other County Expenditures</b>	<b>Total Expenditures</b>
KY Resident, Above-the-line Production Crew	\$4,872	\$0	\$4,872
Non-KY Resident, Above-the-line Production Crew	\$21,789	\$0	\$21,789
KY Resident, Below-the-line Production Crew	\$61,935	\$0	\$61,935
Non-KY Resident, Below-the-line Production Crew	\$57,782	\$0	\$57,782
<b>Total Qualifying Payroll Expenditures</b>	<b>\$146,378</b>	<b>\$0</b>	<b>\$146,378</b>
<b>Total Qualifying Non-payroll Expenditures</b>	<b>\$157,690</b>	<b>\$0</b>	<b>\$157,690</b>
<b>TOTAL</b>	<b>\$304,068</b>	<b>\$0</b>	<b>\$304,068</b>

**Minimum Required Qualifying Project Expenditures:** \$125,000

Anticipated Production Crew:

	Kentucky Resident Crew Members	Non-Kentucky Resident Crew Members	Total Production Crew Members
Above-the-line Production Crew	9	9	18
Below-the-line Production Crew	9	5	14
Total Production Crew Members	18	14	32

Ownership (20% or more):

Chris Kelley                      100%

Other State Participation:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
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TOTAL ELIGIBLE TAX INCENTIVE AMOUNT:	\$106,424
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**KENTUCKY FILM LEADERSHIP COUNCIL  
KEI REPORT**

**Date:** September 25, 2025 **FI Number:** 120128  
**Approved Company:** Paramount Pictures Corporation  
**Project Name:** The Rescue  
**Counties Where Filming or Production Will Occur:** Fayette, Powell

**Activity:** Feature-length Film

**DFS Staff:** B. Tucker

**Project Description:** When a former rodeo cowboy learns that his teenage daughter has been taken for ransom, he decides to take matters into his own hands by seeking the guidance of the only thing that can help him find her -- her dog. In a race against time, they must traverse through the difficult terrain of the Appalachian Mountains and fight against those who plan to harm her before the clock runs out.

This project has an anticipated production start date of November 3, 2025, and anticipated production end date of March 28, 2026.

**Anticipated Qualifying Project Expenditures:**

	<b>Enhanced Incentive County Expenditures</b>	<b>Other County Expenditures</b>	<b>Total Expenditures</b>
KY Resident, Above-the-line Production Crew	\$233,267	\$256,043	\$489,310
Non-KY Resident, Above-the-line Production Crew	\$2,601,879	\$2,147,970	\$4,749,849
KY Resident, Below-the-line Production Crew	\$2,587,627	\$4,382,360	\$6,969,987
Non-KY Resident, Below-the-line Production Crew	\$1,745,505	\$3,880,994	\$5,626,499
<b>Total Qualifying Payroll Expenditures</b>	<b>\$7,168,278</b>	<b>\$10,667,367</b>	<b>\$17,835,645</b>
<b>Total Qualifying Non-payroll Expenditures</b>	<b>\$824,999</b>	<b>\$5,530,565</b>	<b>\$6,355,564</b>
<b>TOTAL</b>	<b>\$7,993,277</b>	<b>\$16,197,932</b>	<b>\$24,191,209</b>

**Minimum Required Qualifying Project Expenditures:** \$250,000

**Anticipated Production Crew:**

	<b>Kentucky Resident Crew Members</b>	<b>Non-Kentucky Resident Crew Members</b>	<b>Total Production Crew Members</b>
Above-the-line Production Crew	12	76	88
Below-the-line Production Crew	836	66	902
<b>Total Production Crew Members</b>	<b>848</b>	<b>142</b>	<b>990</b>

**Ownership (20% or more):**

Paramount Global      100%

**Other State Participation:**

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
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**TOTAL ELIGIBLE TAX INCENTIVE AMOUNT:**

<b>\$7,888,947</b>
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