



COMMONWEALTH of VIRGINIA

Department of Taxation

October 20, 2025

The Honorable L. Louise Lucas
Chairwoman, Senate Finance and Appropriations Committee

The Honorable Luke E. Torian
Chairman, House Appropriations Committee

The Honorable Vivian E. Watts
Chairwoman, House Finance Committee

Dear Chair Lucas, Chair Torian, and Chair Watts,

Virginia Code § 58.1-439.12:03 requires the Department of Taxation ("the Department"), in consultation with the Virginia Tourism Authority, to publish an annual report by November 1 of each year regarding Motion Picture Production Tax Credits that were claimed during the preceding calendar year. Such report must include information regarding the location of sites used in a production for which a credit was claimed; qualifying expenses for which a credit was claimed, classified by whether the expenses were for goods, services, or compensation paid by the production company; the number of people employed in the Commonwealth with respect to credits claimed; and the total cost to the General Fund. Pursuant to *Va. Code* § 58.1-439.12:03, such information is required to be published even if such information cannot be classified to prevent the identification of particular taxpayers, returns, and items.

During Calendar Year 2024, a total of \$3.5 million in Motion Picture Production Tax Credits was claimed by taxpayers. The Motion Picture Production Tax Credit can be claimed for qualifying expenses, which include goods and services leased or purchased, compensation, and wages. Based upon data from the Virginia Film Office within the Virginia Tourism Authority, a total of \$15,513,345 in qualifying expenses was claimed in credits by motion picture production companies during Calendar Year 2024. These qualifying expenses included \$10,489,300 worth of compensation, \$2,454,365 in goods purchased or leased, and \$2,569,680 in services obtained by such motion picture production companies. The chart below shows a breakdown of tax credits claimed during Calendar Year 2024 by the type of expenses and amount of such expenses.

Motion Picture Production Tax Credits Report
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Information Related to Credits Claimed During Calendar Year 2024				
Total Credits Claimed	Total Services	Total Compensation	Total Goods	Total Qualifying Expenses
\$3,500,000	\$2,569,680	\$10,489,300	\$2,454,365	\$15,513,345

It was reported to the Virginia Film Office within the Virginia Tourism Authority by motion picture production companies that 390 individuals were employed with respect to Motion Picture Production Tax Credits claimed during Calendar Year 2024. Of these individuals, 61.5 percent (240 employees) were Virginia residents. The locations of sites used in a production for which a Motion Picture Production Tax Credit was claimed by companies during Calendar Year 2024 were the cities of Petersburg and Richmond and the counties of Charles City, Henrico, and Powhatan.

Please contact me if you have any questions.

Sincerely,



James J. Alex
Tax Commissioner
Commonwealth of Virginia

JJA/jlof

c: The Honorable Stephen E. Cummings, Secretary of Finance
Andy Edmunds, Director, Virginia Film Office
Kristin Collins, Deputy Tax Commissioner