

**Michelle Lujan Grisham**  
Governor

**Alicia J. Keyes**  
Cabinet Secretary

**Amber Dodson**  
Director

**Contact: Jennifer Esquivel**  
**cell: (505) 670-3186**  
[jennifer@nmfilm.com](mailto:jennifer@nmfilm.com)

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## **New Economic Impact Study Finds New Mexico's Film Incentive Program Delivers Strong Economic Benefits**

**SANTA FE, N.M.** - Today the New Mexico Economic Development Department and the New Mexico Film Office released and presented a new economic impact study on New Mexico's film and television industry.

The independent study, commissioned by the New Mexico Film Office, was completed by Olsberg SPI an international creative industries consultant firm specializing in the global screen sector.

The study looked at the industry from fiscal year 2020 through 2021. In summary, findings revealed that ***the New Mexico film tax credit delivers strong economic benefits to the state across all key metrics***. Data illustrated that the New Mexico film tax incentive program generated:

- An economic return on investment (ROI) of 8.4, meaning that for every \$1 invested through the program, the state's economy is benefitted by \$8.40.
- 92% of productions in New Mexico - the incentive is the most important factor identified by decision-makers when choosing where to produce film and television projects. Only 8% of total production would have existed in New Mexico without the film incentive.
- Significant direct, indirect, and induced economic benefits and impact to New Mexico, an estimated \$1.37 billion in economic output in just two years.

"The film and television industry is one of the nine key sectors the Economic Development Department is focused on in our efforts to diversify the state's economy. The industry provides millions of dollars to the economy, thousands of jobs, and puts New Mexico on

the map as a place to live and work, and even travel to for those interested in film tourism,” New Mexico Economic Development Cabinet Secretary Alicia J. Keyes said. “This study dives into the numbers and proves what we have been saying all along about the industry and why we continue to push this forward as a key to New Mexico’s future.”

The study found that the global industry has seen a major increase in demand due to the high volume of content consumption by consumers via streaming services and continued consumption through traditional means such as broadcast and studios. In response, governments across the globe have recognized and valued the economic benefits of this sector, creating an environment of direct competition with one another to attract the industry through incentive programs. Evidence from a survey of production companies and confidential consultations undertaken for the study indicated that the incentive is an important factor in drawing production expenditures to New Mexico and that very little production activity would be attracted to New Mexico without these incentives.

New Mexico offers a 25-35% refundable tax credit on eligible spend in the state with an annual budget cap set at \$110 million. NMFO [previously announced](#) in fiscal year 2021, despite the global shutdown of production due to the COVID-19 pandemic, that the state recorded an estimated \$623.8 million in direct spend by film and television productions in New Mexico, breaking all previous records for the state.

“The findings of this study prove the success and importance of the film incentive and the immense economic benefit this surging industry has on New Mexico. The film industry injects hundreds of millions of outside dollars into New Mexico’s economy every year, supports thousands of jobs, creates revenue streams for local businesses, and generates opportunity and prosperity, while improving the overall quality of life for New Mexicans,” Amber Dodson, director of the New Mexico Film Office, said.

Impacts of the industry have a farther-reaching effect in the form of tourism. In the case of *Breaking Bad* (2008-2013) and *Better Call Saul* (2015-2022) New Mexico has been internationally recognized. The study finds, “the locations have benefited from being associated with the series and attracted tourists from around the world, with multiple *Breaking Bad* themed tours and merchandise. *Breaking Bad* has also put New Mexico on the map for other productions, with its high-quality production providing a very strong example of what New Mexico has to offer.

A copy of the complete report can be found [online](#).

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**The New Mexico Film Office**

505.476.5600 | [info@nmfilm.com](mailto:info@nmfilm.com) | [nmfilm.com](http://nmfilm.com)

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*The Economic Development Department's Mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive.*