

N.J.A.C. 19:31T-1.1

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 57 No. 23,
December 1, 2025

NJ - New Jersey Administrative Code	>	TITLE 19. OTHER AGENCIES	>
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY	>	CHAPTER 31T. GARDEN	
STATE FILM AND DIGITAL MEDIA JOBS PROGRAM	>	SUBCHAPTER 1. GARDEN	
STATE FILM AND DIGITAL MEDIA JOBS PROGRAM			

§ 19:31T-1.1 Applicability and scope

The rules in this subchapter are promulgated by the New Jersey Economic Development Authority in consultation with the New Jersey Motion Picture and Television Development Commission and the New Jersey Division of Taxation to implement the Garden State Film and Digital Media Jobs Act, P.L. 2018, c. 56, as amended at P.L. 2019, c. 506; P.L. 2020, c. 156; P.L. 2021, c. 160; P.L. 2021, c. 367; P.L. 2023, c. 97; and P.L. 2024, c. 33.

History

HISTORY:

Special amendment, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Inserted ", as amended at P.L. 2019, c. 506; P.L. 2020, c. 156; P.L. 2021, c. 160; P.L. 2021, c. 367; and P.L. 2023, c. 97".

In accordance with [N.J.S.A. 52:14B-5](#).l(d), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Inserted "and P.L. 2024, c. 33".

Annotations

Notes

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N.J.A.C. 19:31T-1.2

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NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY	>	CHAPTER 31T. GARDEN	
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STATE FILM AND DIGITAL MEDIA JOBS PROGRAM			

§ 19:31T-1.2 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Applicant" means:

1. A film production company applying for designation as a studio partner;
2. An entity applying for designation as a film-lease partner facility;
3. A person or entity applying for a tax credit for qualified film production expenses. Such an entity includes, but is not limited to, a designated studio partner or an entity applying for a tax credit as a film-lease production company; or
4. A person or entity applying for a tax credit for qualified digital media content production expenses.

"Approved applicant" means an applicant for a tax credit for qualified film production expenses or qualified digital media content production expenses that has received initial approval from the Authority.

"Authority" means the New Jersey Economic Development Authority.

"Business assistance or incentive" means "business assistance or incentive" as that term is defined pursuant to [N.J.S.A. 54:50-39.d](#).

"Commission" means the New Jersey Motion Picture and Television Commission.

"Commitment period" means, for studio partners, the period beginning with the commencement of the eligibility period and expiring 10 years following:

1. In the case of a studio partner developing or purchasing a production facility, the issuance of a temporary certificate(s) of occupancy for the production facility developed or purchased as a condition of designation as a studio partner; or
2. In the case of a studio partner leasing a production facility, commencement of the lease term for the production facility leased as a condition of designation as a studio partner.

"Deferred compensation" means additional payments made to highly compensated individuals, such as writers, directors, producers, and performers, other than background actors with no scripted lines, that increase the total remuneration received for services performed on a production. Deferred compensation payments may include, but are not limited to, payments and advance payments for profit participations, residuals, launch bonuses, buy-out fees, or any other compensation due a highly compensated individual as a result of their services performed on, or the financial exploitation of a film or commercial audiovisual product.

"Digital media content" means the following digitally formatted and distributed content, which content includes data or information created in analog form, but reformatted in digital form: animation; video games; visual effects; interactive media, including virtual, augmented, or mixed reality; content containing text, graphics, or photographs; sound; and video. "Digital media content" shall not mean content offerings

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generated by the end user (including postings on electronic bulletin boards and chat rooms); content offerings comprised primarily of local news, events, weather, or local market reports; public service content; electronic commerce platforms (such as retail and wholesale websites); websites or content offerings that contain obscene material as defined pursuant to [N.J.S.A. 2C:34-2](#) and [2C:34-3](#); websites or content that are produced or maintained primarily for private, industrial, corporate, or institutional purposes; or digital media content acquired or licensed by the approved applicant for distribution or incorporation into the approved applicant's digital media content.

"Director" means the Director of the New Jersey Division of Taxation.

"Eligibility period" means, with respect to studio partners, the period in which a studio partner may claim a tax credit for qualified film production expenses, including expenses that would not constitute qualified film production expenses but for the approved applicant's designation as a studio partner.

(a) The eligibility period begins the earlier of:

1. The commencement of the principal photography for the studio partner's initial film in New Jersey; or
2. In the case of a studio partner developing or purchasing a production facility, at the issuance of a temporary certificate(s) of occupancy for the production facility developed or purchased as a condition of designation as a studio partner, and in the case of a studio partner leasing a production facility, at the commencement of the lease term for the production facility leased as a condition of designation as a studio partner.

(b) Regardless of the event that commences the eligibility period, the eligibility period ends 10 years after the issuance of the temporary certificate of occupancy or the commencement of the lease term described at paragraph (a)2 above.

"Film" or "film project" means a feature film, a television series, or a television show of 22 minutes or more in length, intended for a national audience, or a television series or a television show of 22 minutes or more in length intended for a national or regional audience, including, but not limited to:

1. A documentary feature film, documentary television series, or documentary television show;
2. A game show;
3. A talk show;
4. A competition or variety show filmed before a live audience; or
5. An award show or other gala event filmed and produced at a nonprofit arts and cultural venue receiving State funding.

"Film" shall not include a production featuring news, current events, weather, and market reports or public programming, or sports events, a production that solicits funds, a production containing obscene material as defined at [N.J.S.A. 2C:34-2](#) and [2C:34-3](#), or a production primarily for private, industrial, corporate, or institutional purposes, or a reality show, except if the production company of the reality show has obtained a minimum six episode order from, and is commissioned and scheduled to premiere on, a major linear network or streaming service. "Film" shall not include an award show or other gala event that is not filmed and produced at a nonprofit arts and cultural venue receiving State funding.

"Film completion" means 30 days after the process of post-production of a film has been finished and a final composite answer print, delivery air master, HD air master, interoperable master format (IMF), digital cinema files, or industry equivalent of the film is completed.

"Film production use" means a film studio, professional stage, sound stage, television studio, recording studio, screening room, or other production support space or infrastructure used for producing films or other commercial audiovisual products, including, but not limited to, production offices, mill space, or backlots, provided that the predominant use shall not be administrative or back-office use and that backlots shall not exceed 20 percent of the required minimum size of the production facility.

"Fiscal year" means the State's fiscal year.

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"Full-time or full-time equivalent employee" means an individual employed by the approved applicant for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time or full-time equivalent employment, whose wages are subject to withholding as provided in the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., or whose wages are not subject to tax pursuant to the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., due to the provisions of a reciprocity agreement with another state, regardless of whether the individual is a resident or nonresident gross income taxpayer, or who is a partner of an approved applicant, who works for the partnership for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time or full-time equivalent employment, and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof, is subject to the payment of estimated taxes, as provided in the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq. "Full-time or full-time equivalent employee" shall not include an individual who works as an independent contractor or on a consulting basis for the approved applicant.

"Highly compensated individual" means, for studio partners and film-lease production companies, an individual who directly or indirectly receives compensation in excess of \$ 500,000 for the performance of services used directly in a production and for approved applicants other than studio partners and film-lease production companies who applied on or after July 10, 2024, an individual who directly or indirectly receives compensation in excess of \$ 750,000 for the performance of services used directly in a production. An individual receives compensation indirectly when the approved applicant pays a loan out company that, in turn, pays the individual for the performance of services.

"Homeowner" means an individual who owns and occupies a personal residence, whether as their primary residence or otherwise.

"Incurred in New Jersey" means, for any application submitted after July 3, 2018, the effective date of P.L. 2018, c. 56, pursuant to which a tax credit has not been allowed prior to July 2, 2021, the effective date of P.L. 2021, c. 160, service performed in New Jersey and tangible personal property used or consumed in New Jersey. A service is performed in New Jersey to the extent that the individual performing the service is physically located in New Jersey while performing the service. Notwithstanding where the property is delivered or acquired, rented tangible property is used or consumed in New Jersey to the extent that the property is located in New Jersey during its use or consumption and is rented from a vendor authorized to do business in New Jersey and the film production company provides to the Authority the vendor's information in a form and manner prescribed by the Authority. Purchased tangible property is not used and consumed in New Jersey unless it is purchased from a vendor authorized to do business in New Jersey and is delivered to or acquired in New Jersey; provided, however, that if a production is also located in another jurisdiction, the purchased tangible property is used and consumed in New Jersey, to the extent that the property is located in New Jersey during its use or consumption, if the acquisition and delivery of purchased tangible property is located in either New Jersey or another jurisdiction where the production takes place. Payment made to a homeowner for the use of a personal residence located in the State for filming shall be deemed an expense incurred in New Jersey, notwithstanding the fact that such homeowner is not a vendor authorized to do business in New Jersey, provided that the approved applicant has made the withholding required by N.J.S.A. 54:10A-5.39b.g and 54A:4-12b.h and [N.J.A.C. 19:31T-1.3\(c\)](#).

"Independent contractor" means an individual treated as an independent contractor for Federal and State tax purposes who is contracted with by the approved applicant for the performance of services used directly in a production.

"Independent post-production company" or "qualified independent post-production company" means a corporation, partnership, limited liability company, or other entity principally engaged in the provision of post-production services, including visual effects services, for a film or films described in this chapter, including a film or films that do not satisfy the requirements at N.J.S.A. 54:10A-5.39b(a)(1)(a) and [54A:4-12b\(a\)\(1\)\(a\)](#) and [N.J.A.C. 19:31T-1.3\(a\)](#), which entity is not a publicly traded entity or for which entity that no more than five percent of the beneficial ownership is owned directly or indirectly by a publicly traded entity.

"Loan out company" means for applications submitted prior to July 10, 2024, a personal service corporation or other entity with which an approved applicant contracts for the provision of specified

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individual personnel, such as artists, crew, actors, producers, or directors for the performance of services used directly in a production; and, for applications submitted on or after July 10, 2024, a personal service corporation or other entity, authorized to do business in New Jersey, that is contracted with by the approved applicant to provide specified individual personnel, such as artists, crew, actors, producers, or directors for the performance of services used directly in a production. "Loan out company" shall not include entities contracted with by the approved applicant to provide goods or ancillary contractor services, such as catering, construction, trailers, equipment, or transportation.

"New Jersey film-lease partner facility" or "film-lease partner facility" means one of the following for which the owner, developer, or tenant has made the commitment to build, lease, or operate for a period of at least five successive years beginning with the later of the date of Authority approval or the issuance of the temporary certificate(s) of occupancy:

1. A production facility;
2. A production facility built, leased, or operated by a production company designated as a studio partner, which the studio partner no longer occupies; or
3. A portion of a production facility owned by a studio partner that is in excess of the space being utilized by the studio partner; provided that the space utilized by the studio partner and by the film-lease partner facility both exceed the minimum size for a studio partner and film-lease partner facility, respectively.

"New Jersey film-lease production company" or "film-lease production company" means:

(a) An applicant, including any applicant that is a member of a combined group pursuant to [N.J.S.A. 54:10A-4.11](#) or any other entity in which the film-lease production company has a material ownership interest of at least 30 percent and material operational role in the production, including, but not limited to, as a producer, that otherwise complies with the eligibility requirements of the program and has made a commitment to lease or otherwise occupy production space in a film-lease partner facility.

1. In addition to the foregoing, if a film-lease partner facility has received a temporary or final certificate of occupancy, a film production company shall satisfy one of the following two criteria:
 - i. The film production company shoots at least 50 percent of the total principal photography shoot days of the film project within New Jersey at the film-lease partner facility; or
 - ii. The qualified film production expenses of the project for all services performed and goods used or consumed at the film-lease partner facility and payments made for the use of the film-lease partner facility equal or exceed 33 percent of the total qualified film production expenses of the project.
2. In addition to the foregoing, if a film-lease partner facility has not yet received a temporary or final certificate of occupancy, a film production company shall have:
 - i. Entered into a lease or sublease with the owner or developer of a film-lease partner facility, which:
 - (1) Is for not less than three years of occupancy of the film-lease partner facility; and
 - (2) Includes at least 36,000 square feet of soundstage space; and
 - ii. Executed a contract with the owner or developer of the film-lease partner facility for such owner or developer to provide production services for films produced by the film production company in New Jersey prior to the film-lease partner facility's receipt of a temporary or final certificate of occupancy.

(b) An unrelated entity principally engaged in the production of a film or other commercial audiovisual product with whom a designated film-lease production company contracts to perform film production services on its behalf, such that the designated film-lease production company controls such film or product during preproduction, production, and postproduction, and all results and proceeds of such

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services constitute, from the moment of creation, "works made for hire" for the film-lease production company pursuant to the provisions of the Federal Copyright Act of 1976, [17 U.S.C. §§ 101](#) et seq.

"New Jersey studio partner" or "studio partner" means:

(a) When applying for a designation:

1. A film production company that has made a commitment to produce films or commercial audiovisual products in New Jersey and has developed, purchased, or executed a 10-year contract to lease a production facility, or has executed a purchase contract with a governmental authority for the purpose of developing a production facility, which purchase contract must be executed within 48 months from the date of designation as a New Jersey studio partner; provided, however, the Authority Board, in its discretion, may extend the time to execute a purchase contract for an additional 12 months; or
2. A film production company that executes at least a 10-year lease for a production facility that is a portion of a film-lease partner facility.

(b) When applying for a film tax credit:

1. The film production company designated as a studio partner;
2. Any other member of the combined group, pursuant to [N.J.S.A. 54:10A-4.11](#), of the film production company designated as a studio partner; or
3. An entity unrelated to the film production company designated as a studio partner, which entity is principally engaged in the production of a film or other commercial audiovisual product with whom the film production company designated as a studio partner contracts to perform film production services on its behalf or for its benefit, such that the film production company designated as a studio partner:
 - i. Controls such film or product during pre-production, production, and post-production; or
 - ii. Controls global distribution rights for the resulting film or other commercial audiovisual product, provided that the studio partner contracted with the unrelated entity prior to qualified film production expenses being incurred.

"Partnership" means an entity classified as a partnership for Federal income tax purposes.

"Personal residence" means a residential unit, the land on which the residential unit is located, and any other structures on such land. A personal residence includes, but is not limited to, a condominium, a unit in a horizontal property regime, or a unit in a cooperative or mutual housing corporation of a residential shareholder. A personal residence excludes a multi-family residential structure of more than four units and a residential unit that another person occupies as that person's primary residence.

"Post-production costs" means the costs of the phase of production of a film that follows principal photography, in which raw footage is cut and assembled into a finished film with sound synchronization and visual effects. There shall be no distinguishing between the production and post-production phases for animated films due to the intertwined relationship between those two phases in animation.

"Pre-production costs" means the costs of the phase of production of a film that precedes principal photography, in which a detailed schedule and budget for the production is prepared, the script and location is finalized, and contracts with vendors are negotiated. For animated films, pre-production constitutes the period of time during which models are drawn on paper and/or created in the computer (for example, storyboarding).

"Primary place of business" means, for purposes of determining the amount of tax credit pursuant to [N.J.A.C. 19:31T-1.6\(a\)](#) and (b), the headquarters or commercial facility of a vendor at which the qualified expense transaction occurs.

"Principal photography" means the filming of major and significant portions of a qualified film that involves the director of the film on set. For animated films, "principal photography" means the point at which the

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models created during the pre-production phase are complete and the staff begins to choreograph, animate, and render the animations.

"Privilege period" means the calendar or fiscal accounting period for which a tax is payable under the Corporation Business Tax Act, [N.J.S.A. 54:10A-5](#).

"Production facility" means a building or buildings in New Jersey used for film production uses with no less than 250,000 square feet for a film-lease partner facility or a studio partner.

"Program" means the Garden State Film and Digital Media Jobs Program.

"Qualified digital media content production expenses" means expenses incurred in New Jersey after July 1, 2018, to the extent that any such expense is incurred for the production of digital media content. "Qualified digital media content production expenses" shall include, but not be limited to: the wages and salaries of individuals employed in the production of digital media content on which the tax imposed by the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., has been paid or is due and any wages and salaries of individuals employed in the production of digital media content that are not subject to tax pursuant to the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., due to the provisions of a reciprocity agreement with another state; the costs of computer software and hardware, data processing, visualization technologies, sound synchronization, editing, and the rental of facilities and equipment; and the costs for post-production, including, but not limited to: editing, sound design, visual effects, animation, music composition, color grading, and mastering. Payments made to a loan out company or to an independent contractor shall not be deemed "qualified digital media content production expenses" unless the payments are made in connection with a trade, profession, or occupation carried out in this State or for the rendition of personal services performed in the State and the approved applicant has made the withholding required pursuant to N.J.S.A. 54:10A-5.39b.g and 54A:4-12b.h and [N.J.A.C. 19:31T-1.3\(c\)](#). For applications submitted prior to July 10, 2024, "qualified digital media content production expenses" shall not include expenses incurred in marketing, promotion, or advertising digital media or other costs not directly related to the production of digital media content. For applications submitted after July 10, 2024, "qualified digital media content production expenses" shall not include expenses incurred in marketing, promotion, or advertising digital media; costs incurred for the design, maintenance, and hosting of websites; or other costs not directly related to the production of digital media content. Costs related to the acquisition or licensing of digital media content by the approved applicant for distribution or incorporation into the approved applicant's digital media content or any costs included in another program application submitted to the Authority, or other costs for intangible personal property, shall not be deemed "qualified digital media content production expenses."

"Qualified film production expenses" means an expense incurred in New Jersey: after July 1, 2018, for the production of a film, including pre-production costs, and post-production costs incurred in New Jersey and for completed applications submitted on or after January 1, 2026, until film completion, except that deferred compensation may be incurred after film completion. "Qualified film production expenses" shall include, but not be limited to: the wages and salaries of individuals employed in the production of a film on which the tax imposed pursuant to [N.J.S.A. 54A:1-1](#) et seq., has been paid or is due, and any wages and salaries of individuals employed in the production of a film that are not subject to tax pursuant to the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., due to the provisions of a reciprocity agreement with another state; and the costs for tangible personal property used and services performed, directly and exclusively in the production of a film, such as expenditures for film production facilities, props, makeup, wardrobe, film processing, camera, sound recording, set construction, lighting, shooting, editing, and meals. Payments made to a loan out company or to an independent contractor shall not be deemed a "qualified film production expense" unless the payments are made in connection with a trade, profession, or occupation performed in this State or for the rendition of personal services performed in this State and the approved applicant has made the withholding required pursuant to N.J.S.A. 54:10A-5.39b.g and 54A:4-12b.h and [N.J.A.C. 19:31T-1.3\(c\)](#). As of July 6, 2023, the effective date of P.L. 2023, c. 97, payment made to a homeowner, who is otherwise not a vendor authorized to do business in New Jersey, for the use of a personal residence for filming shall not be deemed a "qualified film production expense" unless the approved applicant has made the withholding required pursuant to N.J.S.A. 54:10A-5.39b.g and 54A:4-12b.h and [N.J.A.C. 19:31T-1.3\(c\)](#). For the purposes of this definition, wages and salaries of individuals

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employed in the production of a film shall include deferred compensation, including advances on deferred compensation, incurred by studio partners, provided the studio partner files a supplemental report as set forth at [N.J.A.C. 19:31T-1.7\(f\)](#). "Qualified film production expenses" shall not include: costs for intangible personal property incurred after February 26, 2024; expenses incurred in marketing or advertising a film; expenses for a story, script, or scenario to be used for a film; reality show, game show, and competition show prizes or awards; any costs included in an another program application submitted to the Authority; for taxpayers other than studio partners and film-lease production companies, payment in excess of \$ 750,000 to a highly compensated individual for wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines; and for studio partners and film-lease production companies, payment in excess of \$ 500,000 to a highly compensated individual for wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, except as follows, based on the qualified film production expenses in the State without including the excess amounts paid to highly compensated individuals:

1. For a studio partner that incurs less than \$ 25,000,000 in qualified film production expenses in the State, in excess of amounts paid to highly compensated individuals, an additional amount, not to exceed \$ 18,000,000, of the wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, shall constitute qualified film production expenses;
2. For a studio partner that incurs \$ 25,000,000 or more in qualified film production expenses in the State, in excess of amounts paid to highly compensated individuals, an additional amount, not to exceed \$ 72,000,000, of the wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, shall constitute qualified film production expenses;
3. For a film-lease production company that incurs less than \$ 50,000,000 in qualified film production expenses in the State, in excess of amounts paid to highly compensated individuals, an additional amount, not to exceed \$ 15,000,000, of the wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, shall constitute qualified film production expenses; and
4. For a film-lease production company that incurs \$ 50,000,000 or more in qualified film production expenses in the State, in excess of amounts paid to highly compensated individuals, an additional amount, not to exceed \$ 60,000,000, of the wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, shall constitute qualified film production expenses.

"Qualified wage and salary payments" means the wage and salary payments incurred by the approved applicant in New Jersey.

"Reality show" means content that is centered around the filming of people in purported real-life, predominantly unscripted or soft-scripted, situations.

"Selling business" means an approved applicant that has unused tax credits, which it wishes to sell.

"Shoot day" means a minimum of eight hours from first unit crew call to wrap.

"Square feet" or "square footage" means the sum of all areas on all floors of a building included within the outside faces of its exterior walls, including all vertical penetration areas for circulation and shaft areas that connect one floor to another, but disregarding cornices, pilasters, buttresses, and similar structures that extend beyond the wall faces. For backlot, "square feet" means the area dedicated by the applicant for backlot use as evidenced on a site plan.

"Taxable year" means the calendar or fiscal accounting period for which a tax is payable pursuant to [N.J.S.A. 54A:1-1](#) et seq.

"Taxation" or "Division" means the New Jersey Division of Taxation.

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"Tax credit transfer certificate" means the certificate issued by Taxation certifying to the selling business the amounts of film tax credit being sold. The certificate shall state that the transferor waives its right to claim the credit shown on the certificate. The certificate shall have the same tax credit vintage year as the original tax credit certificate.

"Tax credit vintage year" means:

(a) The applicant's privilege period or taxable year in which the Authority issued the initial approval of the application, until the cumulative total amount of tax credits, and tax credit transfer certificates, allowed to applicants exceeds the amounts of tax credits available in a fiscal year, after which "tax credit vintage year" shall mean the next subsequent privilege period or taxable year of the applicant in which tax credits are available;

(b) For applications approved on or after January 1, 2026, "tax credit vintage year" means the applicant's privilege period or taxable year in which the Authority gives final approval; and

(c) For applications that received initial approval prior to January 1, 2026, but have not yet received final approval, the approved applicant may elect upon written notice to the Authority to use the tax credit vintage year at paragraph (b) above.

"Taxpayer" means an applicant, a designated studio partner, a designated film-lease partner facility, or an approved applicant.

"Television series" means a series of one or more television shows, each 22 minutes or more in length.

"Total digital media content production expenses" means costs for services performed and property used or consumed in the production of digital media content including, but not limited to, wages and salaries.

"Total film production expenses" means costs for services performed and tangible personal property used or consumed in the production of a film, including, but not limited to, wages and salaries. For completed applications submitted on or after January 1, 2026, total film production expenses shall not include any costs incurred after film completion, except that deferred compensation may be incurred after film completion.

"Vendor authorized to do business in New Jersey" means a vendor that, at the time the expense was incurred in New Jersey, has obtained authorization to conduct business in this State by filing the appropriate documents with the State of New Jersey Department of the Treasury, Division of Revenue and Enterprise Services.

History

HISTORY:

Amended by R.2020 d.007, effective January 6, 2020.

See: [51 N.J.R. 1256\(a\)](#), [52 N.J.R. 58\(b\)](#).

In definition "Tax credit vintage year", substituted "issued the initial approval of" for "approved".

Special amendment, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Rewrote the section.

In accordance with [N.J.S.A. 52:14B-5.l\(d\)](#), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

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See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Rewrote the section.

Annotations

Notes

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End of Document

N.J.A.C. 19:31T-1.3

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STATE FILM AND DIGITAL MEDIA JOBS PROGRAM			

§ 19:31T-1.3 Eligibility criteria

(a) An applicant shall be eligible for the program for film tax credits if the Authority finds that:

1. After July 1, 2018:

i. At least 60 percent of the applicant's total film production expenses, exclusive of post-production costs, are incurred in New Jersey for services performed, and goods purchased, through vendors authorized to do business in New Jersey, including wages and salaries;

ii. The qualified film production expenses of the applicant during at least one privilege period or taxable year incurred in New Jersey for services performed, and goods purchased, through vendors authorized to do business in New Jersey, including wages and salaries, exceed \$ 1,000,000 per production; or

iii. For reality shows, at least 60 percent of the applicant's total film production expenses, exclusive of post-production costs, are incurred in New Jersey for services performed, and goods purchased through vendors authorized to do business in New Jersey, including wages and salaries, and the qualified film production expenses of the applicant during at least one privilege period or taxable year incurred in New Jersey for services performed, and goods purchased, through vendors authorized to do business in New Jersey, including wages and salaries, exceed \$ 1,000,000 per production;

2. The principal photography of the film commences within 180 days from the date of the completed application for the tax credit;

3. The film includes, when determined to be appropriate by the Commission, taking into account factors including, but not limited to, the budget and audience of the film, at no cost to the State, marketing materials promoting this State as a film and entertainment production destination, which materials shall include placement of a "Filmed in New Jersey" or "Produced in New Jersey" statement, or an appropriate logo approved by the Commission, in the end credits of the film;

4. The applicant submits a tax credit verification report prepared by an independent certified public accountant licensed in this State in accordance with [N.J.A.C. 19:31T-1.7\(c\)](#)4;

5. The applicant complies with the withholding requirements provided for payments to loan out companies, independent contractors, and any homeowner in accordance with (c) below;

6. At least one principal photography day is shot in New Jersey; and

7. For a studio partner or film-lease production company, the principal photography of the film commenced after the designation of the studio partner or the corresponding film-lease partner facility.

(b) An applicant shall be eligible for the program for digital media tax credits if the Authority finds that the applicant will incur qualified digital media content production expenses during a privilege period or taxable year, provided that:

§ 19:31T-1.3 Eligibility criteria

1. After July 1, 2018:

- i. At least \$ 2,000,000 of the total digital media content production expenses of the applicant are incurred in New Jersey for services performed, and goods purchased, through vendors authorized to do business in New Jersey, including wages and salaries; provided, however, for the purposes of eligibility, for applications submitted after July 10, 2024, qualified wage and salary payments made to full-time employees working on digital media shall not be deemed an expense incurred for services performed. In addition, at least 50 percent of the qualified digital media content production expenses of the applicant are for wages and salaries paid to full-time or full-time equivalent employees in New Jersey;
- ii. At least \$ 500,000 of the qualified digital media content production expenses of the applicant are incurred in New Jersey for post-production services, including visual effects services, performed at a film-lease production facility or by a studio partner; or
- iii. At least \$ 500,000 of the qualified digital media content production expenses of the applicant are incurred in New Jersey for post-production services, including visual effects services, performed by a qualified independent post-production company;

2. The applicant submits a tax credit verification report prepared by an independent certified public accountant licensed in this State in accordance with [N.J.A.C. 19:31T-1.7\(c\)](#)4; and

3. The applicant complies with the withholding requirements provided for payments to loan out companies and independent contractors in accordance with (c) below.

(c) An approved applicant shall withhold from each payment to a loan out company, to an independent contractor, or, for an applicant for a film tax credit, to a homeowner for the use of a personal residence, an amount equal to 6.37 percent of the payment otherwise due. The amounts withheld shall be deemed to be withholding of liability pursuant to the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., and the approved applicant shall be deemed to have the rights, duties, and responsibilities of an employer pursuant to Chapter 7 of Title 54A of the New Jersey Statutes. The director shall allocate the amounts withheld for a taxable year to the accounts of the individuals who are employees of a loan out company in proportion to the employee's payment by the loan out company in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State during the taxable year. A loan out company that reports its payments to employees in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State during a taxable year shall be relieved of its duties and responsibilities as an employer pursuant to Chapter 7 of Title 54A of the New Jersey Statutes for the taxable year for any payments relating to the payments on which the approved applicant withheld. Notwithstanding any provision of this section to the contrary, qualified film production expenses and qualified digital media content production expenses shall include any payments made by the approved applicant to a loan out company for services performed in New Jersey by individuals who are employees of the loan out company and whose wages and salaries are subject to withholding, but not subject to tax pursuant to the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., due to the provisions of a reciprocity agreement with another state.

(d) For any applicant applying to be designated as a studio partner, the applicant shall be eligible if the applicant demonstrates to the Authority that the applicant meets the definition of a studio partner for purposes of designation and that it shall satisfy the conditions of approval at [N.J.A.C. 19:31T-1.8\(e\)](#) within the prescribed time. No more than three film production companies may be designated as a studio partner.

(e) For any applicant applying to be designated as a film-lease partner facility, the applicant shall be eligible if the applicant demonstrates to the Authority that the applicant meets the definition of a film-lease partner facility and that it shall satisfy the conditions of approval at [N.J.A.C. 19:31T-1.8\(e\)](#) within the prescribed time.

- 1. Except for a production facility, or portion thereof, owned, built, leased, or operated by a film production company designated as a studio partner by the Authority on or before January 3, 2024, in order for a production facility to be designated as a film-lease partner facility, the owner or developer

§ 19:31T-1.3 Eligibility criteria

shall accept the acquisition by the Authority, at the Authority's discretion, of equity in the production facility, on commercially reasonable and customary terms and conditions determined by the Authority and the film-lease partner facility and on the condition that the Authority may require the applicant to redeem the investment if the applicant is not compliant with the program. The Authority may, at its discretion, accept the offer to purchase the shares of stock by the film-lease partner facility or any other investor in lieu of redemption.

2. No more than three New Jersey production facilities may be designated as a film-lease partner facility; provided, however, this limitation shall not apply to production facilities, or portions thereof, owned, built, leased, or operated by a film production company designated as a studio partner.

(f) For any applicant applying to produce a reality show, the applicant will be eligible for the program if the Authority finds the applicant meets the requirements set forth at (a) above and demonstrates to the Authority that the applicant's production meets the definition of a reality show and meets the requirements for reality show productions set forth in the definition of a film.

(g) For two or more buildings to qualify as a production facility, the buildings must be proximate to each other. Proximate buildings shall include, but not be limited to, buildings that are adjacent to each other or across a single public right-of-way from each other. The following are examples of buildings that are proximate:

1. A production facility consists of building A and building B, which are both on the same block, but separated by other buildings.
2. A production facility consists of building A and building B, which are adjacent to each other, but have separate entrances.
3. A production facility consists of building A and building B, which are located in an industrial park and are separated solely by a parking lot.

History

HISTORY:

Amended by R.2020 d.007, effective January 6, 2020.

See: [51 N.J.R. 1256\(a\)](#), [52 N.J.R. 58\(b\)](#).

In (a)2, substituted "completed" for "original".

Special amendment, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Rewrote (a); in (b), substituted "applicant" for "taxpayer" throughout, in (b)1i, inserted "including wages and salaries"; in (c), substituted "approved applicant" for "taxpayer" throughout, substituted the first comma for "or", inserted "or, for an applicant for a film tax credit, to a homeowner for the use of personal residence" following "contractor" and inserted "the New Jersey Gross Income Tax Act," preceding "N.J.S.A."; and added (d) through (g).

In accordance with [N.J.S.A. 52:14B-5.l\(d\)](#), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Rewrote the section.

Annotations

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N.J.A.C. 19:31T-1.4

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§ 19:31T-1.4 Application submission requirements

(a) A completed application for film tax credits shall include:

1. A preliminary budget for the film project with a breakout of projected costs, including pre-production costs and post-production costs;
2. A breakout of projected total film production expenses, excluding pre-production costs, to be incurred, pursuant to [N.J.A.C. 19:31T-1.3](#), for services performed and goods purchased through vendors authorized to do business in New Jersey;
3. A breakout of projected qualified film production expenses, pursuant to [N.J.A.C. 19:31T-1.3](#), in New Jersey;
4. For applications filed before July 2, 2021 (the effective date of P.L. 2021, c. 160), a breakout of projected costs, including pre-production and post-production costs, to be incurred, pursuant to [N.J.A.C. 19:31T-1.6\(a\)1](#), for services performed and tangible personal property purchased through a vendor whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County; and for applications filed on or after July 2, 2021 (the effective date of P.L. 2021, c. 367), a breakout of projected costs, including pre-production and post-production costs, to be incurred, pursuant to [N.J.A.C. 19:31T-1.6\(a\)4](#) for services performed and tangible personal property purchased for use at a sound stage or other location that is located in the State within a 30-mile radius of the intersection of Eighth Avenue/Central Park West, Broadway, and West 59th Street/Central Park South, New York, New York;
5. A description of the film project, which must include:
 - i. A plot summary;
 - ii. The genre and subject matter;
 - iii. The anticipated film rating, if applicable;
 - iv. The names of principals and actors; and
 - v. The location(s) for filming;
6. The filming schedule;
7. The anticipated or actual dates of commencement and completion of principal photography and total film production expenses;
8. A list of members or owners of the applicant, including the percentage of ownership interest of each;
9. If the applicant intends to participate in the bonus amount of tax credit for a diversity plan pursuant to [N.J.A.C. 19:31T-1.6\(l\)1](#), satisfaction of the requirements at [N.J.A.C. 19:31T-1.6\(l\)1i](#), ii, iii, and iv; and

§ 19:31T-1.4 Application submission requirements

for the increased bonus amount of tax credits pursuant to [N.J.A.C. 19:31T-1.6\(l\)2](#), satisfaction of the requirements at [N.J.A.C. 19:31T-1.6\(l\)2i](#) through [iii](#);

10. If the film production involves an eligible reality show:

- i. For applications submitted prior to the effective date of P.L. 2024, c. 33 (July 10, 2024), a description of the capital investment, which shall be no less than \$ 3,000,000, and a description of the production facility, which shall be no less than 20,000 square feet of real property, respectively, within a designated enterprise zone established pursuant to the New Jersey Urban Enterprise Zones Act, [N.J.S.A. 52:27H-60](#) et seq., or a UEZ-impacted business district established pursuant to [N.J.S.A. 52:27H-66.2](#), and an executed letter of interest, lease, sublease, deed, or purchase contract; and
- ii. For applications submitted on or after the effective date of P.L. 2024, c. 33 (July 10, 2024), evidence that a major linear network or streaming service has commissioned or ordered a minimum of six episodes and has scheduled the reality show to premiere.

11. A list of all the development subsidies, as defined at [N.J.S.A. 52:39-1](#) et seq., that the applicant is requesting or receiving, the name of the granting body, the value of each development subsidy, and the aggregate value of all development subsidies requested or received;

12. If the applicant is seeking a film tax credit as a studio partner:

- i. A certification from the film production company designated as a studio partner that it remains eligible as a studio partner; and
- ii. If the applicant is not the designated studio partner, one of the following:
 - (1) Written verification that the applicant is a member of the studio partner's group pursuant to [N.J.S.A. 54:10A-4.11](#); or
 - (2) If the applicant is an entity unrelated to the studio partner and is principally engaged in the production of the film that is the subject of the application with whom a designated studio partner contracts to perform film production services on its behalf or for its benefit, written consent from the studio partner for the unrelated entity to apply for tax credits and a copy of the production services agreement with the designated studio partner evidencing that the designated studio partner:
 - (A) Controls such film during pre-production, production, and post-production; or
 - (B) Controls global distribution rights for the resulting film, provided that the studio partner contracted with the unrelated entity prior to qualified film production expenses being incurred and after the designated studio partner was approved for such designation by the Authority;

13. If the applicant is seeking a film tax credit as a film-lease production company:

- i. A certification from the film-lease partner facility that it remains eligible as a film-lease partner facility;
- ii. If the applicant is seeking a film tax credit pursuant to paragraph (a)1i in the definition of New Jersey film-lease production company, the filming schedule including all locations in and out of the State of New Jersey and an executed lease, sublease, license, or letter of intent to occupy production space in a film-lease partner facility during the required principal photography shoot days at the facility. The sublease, license, or letter of intent can be obtained from a tenant or subtenant of the film-lease partner facility;
- iii. If the applicant is seeking a film tax credit pursuant to paragraph (a)1ii in the definition of New Jersey film-lease production company, a detailed budget demonstrating that the applicant meets the requirements of that section and an executed lease, sublease, license, or letter of intent to

§ 19:31T-1.4 Application submission requirements

occupy production space in a film-lease partner facility during the time of the required qualified film production expenses at, or for the use of, the film-lease partner facility;

iv. If the applicant is seeking a film tax credit pursuant to paragraph (a)2 in the definition of New Jersey film-lease production company, the lease or sublease for the film-lease partner facility and the contract with the owner or developer of the film-lease partner facility required in that section, which contract shall be dated prior to incurring qualified film production expenses; and

v. If the applicant is not the film-lease production company, one of the following:

(1) Written verification that the applicant is a member of the film-lease production company's combined group;

(2) Any documentation evidencing the film-lease production company's ownership interest in the applicant and any agreement evidencing the film-lease production company's operational role in the film production; or

(3) For "works made for hire" for the film-lease production company:

(A) Documentation evidencing that the applicant is principally engaged in the production of film and other commercial audiovisual product;

(B) An executed contract with the film-lease production company to perform film production services for the film on the film-lease production company's behalf such that the designated film-lease production company controls the film or product during pre-production, production, and post-production, and all results and proceeds of such services constitute, from the moment of creation, "works made for hire" for the New Jersey studio partner pursuant to the provisions of the Federal Copyright Act of 1976, [17 U.S.C. §§ 101 et seq.](#); and

14. Any other necessary and relevant information as determined by the Authority for a specific application.

(b) A completed application to be designated as a studio partner shall include:

1. An executed deed, lease, sublease, or purchase contract for the production facility, or letter of intent with a governmental authority for the purchase of property for the purpose of developing a production facility. The executed lease or sublease shall have a term that extends for the commitment period based on the anticipated commencement of the commitment period;

2. A detailed floor plan or, if the production facility comprises multiple buildings, a site plan, indicating the uses of each area, the total square footage of the production facility, and the square footage of any backlot;

3. Evidence, including, but not limited to, a certification, that the applicant has made a commitment to produce films or commercial audiovisual products in New Jersey;

4. Except for an applicant that will execute a purchase contract with a governmental authority, preliminary site plan approval or temporary certificate(s) of occupancy for the production facility, an adopted redevelopment plan by a municipality or municipalities which contemplates the development of the production facility, or an executed redevelopment agreement with a municipality or municipalities for the development of the production facility; and

5. Any other necessary and relevant information as determined by the Authority for a specific application.

(c) A completed application to be designated as a film-lease partner facility shall include:

1. An executed lease, sublease, deed, or purchase contract for the production facility. The executed lease or sublease shall have a term that extends for the minimum five-year period;

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2. A detailed floor plan or, if the production facility comprises multiple buildings, a site plan, indicating the uses of each area, the total square footage of the production facility and the square footage of any backlot;
 3. Preliminary site plan approval or temporary certificate(s) of occupancy for the production facility, an adopted redevelopment plan by a municipality or municipalities which contemplates the development of the production facility, or an executed redevelopment agreement with a municipality or municipalities for the development of the production facility;
 4. Written acceptance by the applicant of the acquisition by the Authority, at the Authority's discretion, of equity in the production facility, on commercially reasonable and customary terms and conditions determined by the Authority and the film-lease partner facility; and
 5. Any other necessary and relevant information as determined by the Authority for a specific application.
- (d) A completed application for digital media tax credits shall include:
1. A preliminary or actual budget demonstrating the minimum required total and qualified digital media content production expenses pursuant to [N.J.A.C. 19:31T-1.3\(b\)](#) 1i, ii, or iii;
 2. If the applicant is applying on the basis of services performed by a qualified independent post-production company, the ownership structure of the company and any other evidence that the company meets the definition of a qualified independent post-production company during the time in which the qualified digital media content production expenses were incurred;
 3. If applicable pursuant to [N.J.A.C. 19:31T-1.6\(b\)](#) 2i or 3i, a breakout of qualified digital media expenses for services performed and tangible personal property purchased through a vendor whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County;
 4. A breakout of projected digital media content production expenses for wages and salaries paid to full-time or full-time equivalent employees in New Jersey;
 5. The total number of current full-time or full-time equivalent digital media employees, plans for anticipated new full-time or full-time equivalent employees, and current non-digital media full-time or full-time equivalent employees;
 6. A detailed description of the digital media content;
 7. If the digital media content relates to any film, a list of all such films;
 8. If the applicant intends to participate in the bonus amount of tax credit for a diversity plan pursuant to [N.J.A.C. 19:31T-1.6\(l\)](#) 1, satisfaction of the requirements pursuant to [N.J.A.C. 19:31T-1.6\(l\)](#) 1i, ii, iii, and iv;
 9. A list of all the development subsidies, as defined at [N.J.S.A. 52:39-1](#) et seq., that the developer is requesting or receiving, the name of the granting body, the value of each development subsidy, and the aggregate value of all development subsidies requested or received; and
 10. Any other necessary and relevant information as determined by the Authority for a specific application.
- (e) For all applicants, a completed application shall also require:
1. A completed legal questionnaire disclosing all relevant legal matters in accordance with the Authority debarment and disqualification rules at [N.J.A.C. 19:30-2.1](#) through [2.7](#); and
 2. Submission of a tax clearance certificate.

History

HISTORY:

Administrative correction.

See: [51 N.J.R. 173\(b\)](#).

Amended by R.2020 d.007, effective January 6, 2020.

See: [51 N.J.R. 1256\(a\)](#), [52 N.J.R. 58\(b\)](#).

In (b)1, inserted "and goods purchased through vendors authorized to do business in New Jersey".

Special amendment, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Rewrote the section.

In accordance with [N.J.S.A. 52:14B-5](#).l(d), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Rewrote the section.

Annotations

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N.J.A.C. 19:31T-1.5

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§ 19:31T-1.5 Fees

(a) A non-refundable fee shall accompany every application, as follows:

1. For applications with total qualified film production expenses or digital media production expenses of \$ 1,000,000 or less, the fee to be charged at application shall be \$ 100.00;
2. For applications with total qualified film production expenses or digital media production expenses of \$ 1,000,000, but less than \$ 6,000,000, the fee to be charged at application shall be \$ 250.00;
3. For applications with total qualified film production expenses or digital media production expenses of \$ 6,000,000, but less than \$ 15,000,000, the fee to be charged at application shall be \$ 2,000;
4. For applications with total qualified film production expenses or digital media production expenses of \$ 15,000,000, but less than \$ 30,000,000, the fee to be charged at application shall be \$ 5,000;
5. For applications with total qualified film production expenses or digital media production expenses of \$ 30,000,000 or more, the fee to be charged at application shall be \$ 10,000;
6. For applications to be designated as a studio partner, the fee to be charged at application shall be \$ 10,000; and
7. For applications to be designated as a film-lease partner facility, the fee to be charged at application shall be \$ 5,000.

(b) A non-refundable fee shall be paid prior to the approval of the application by the Authority as follows, except that the fee shall be refunded if the Authority does not approve the credit:

1. For applications with total qualified film production expenses or digital media production expenses of less than \$ 1,000,000, the fee to be charged prior to approval shall be \$ 100.00;
2. For applications with total qualified film production expenses or digital media production expenses of \$ 1,000,000, but less than \$ 6,000,000, the fee to be charged prior to approval shall be \$ 500.00;
3. For applications with total qualified film production expenses or digital media production expenses of \$ 6,000,000, but less than \$ 15,000,000, the fee to be charged prior to approval shall be \$ 5,000;
4. For applications with total qualified film production expenses or digital media production expenses of \$ 15,000,000, but less than \$ 30,000,000, the fee to be charged prior to approval shall be \$ 12,000;
5. For applications with total qualified film production expenses or digital media production expenses of \$ 30,000,000 or more, the fee to be charged prior to approval shall be \$ 25,000;
6. For applications to be designated as a studio partner, the fee to be charged prior to approval shall be \$ 50,000; and
7. For applications to be designated as a film-lease partner facility, the fee to be charged prior to approval shall be \$ 50,000.

§ 19:31T-1.5 Fees

(c) A non-refundable fee shall be paid to the Authority prior to the receipt of the tax credit as follows:

1. For approved applicants with total qualified film production expenses or digital media production expenses of less than \$ 1,000,000, the fee to be charged shall be \$ 100.00;
2. For approved applicants with total qualified film production expenses or digital media production expenses of \$ 1,000,000, but less than \$ 6,000,000, the fee to be charged shall be \$ 500.00;
3. For approved applicants with total qualified film production expenses or digital media production expenses of \$ 6,000,000, but less than \$ 15,000,000, the fee to be charged shall be \$ 5,000;
4. For approved applicants with total qualified film production expenses or digital media production expenses of \$ 15,000,000, but less than \$ 30,000,000, the fee to be charged shall be \$ 12,000; and
5. For approved applicants with total qualified film production expenses or digital media production expenses of \$ 30,000,000 or more, the fee to be charged shall be \$ 25,000.

(d) A non-refundable fee shall be paid to the Authority upon application for a tax credit transfer certificate pursuant to [N.J.A.C. 19:31T-1.10](#) as follows:

1. For approved applicants with total qualified film production expenses or digital media production expenses of less than \$ 1,000,000, the fee to be charged shall be \$ 1,000; and
2. For approved applicants with total qualified film production expenses or digital media production expenses of \$ 1,000,000 or greater, the fee to be charged shall be \$ 5,000.

(e) A studio partner or a film-lease production facility shall pay to the Authority a non-refundable fee of \$ 5,000 for the first six-month extension and \$ 7,500 for each subsequent extension to the date the temporary certification of occupancy for the production facility is due pursuant to [N.J.A.C. 19:31T-1.8\(e\)](#)3.

(f) A studio partner or a film-lease production facility shall pay to the Authority a non-refundable fee of \$ 5,000 for each request for any minor administrative changes, additions, or modifications and \$ 10,000 for each request for any major administrative changes, additions, or modifications, such as those requiring extensive staff time and Board approval, to the designation as a studio partner or a film-lease production facility.

(g) The full amount of direct costs of due diligence, including, but not limited to, debarment/disqualification reviews or other analyses by a third-party retained by the Authority, if the Authority deems such retention to be necessary, shall be paid by the applicant.

History

HISTORY:

Amended by R.2020 d.007, effective January 6, 2020.

See: [51 N.J.R. 1256\(a\)](#), [52 N.J.R. 58\(b\)](#).

Added (d).

Special amendment, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Rewrote the section.

In accordance with [N.J.S.A. 52:14B-5.l\(d\)](#), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

§ 19:31T-1.5 Fees

Provisions of R.2024 d.022 readopted without change by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

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End of Document

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§ 19:31T-1.6 Tax credit amounts; bonus amount; carryforward of tax credits

(a) An approved applicant, upon final approval of an application to the Authority and the Director for film tax credits pursuant to [N.J.A.C. 19:31T-1.7\(e\)](#), shall be allowed a credit against the tax imposed pursuant to [N.J.S.A. 54:10A-5](#) or the tax otherwise due for the taxable year pursuant to [N.J.S.A. 54A:1-1](#) et seq., corresponding to the tax credit vintage year, which shall be a privilege period or taxable year commencing on or after July 1, 2018, but before July 1, 2039, in an amount equal to:

1. For completed applications received prior to July 2, 2021, 35 percent of the qualified film production expenses of the approved applicant during a privilege period or taxable year that are incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County.
2. For completed applications received prior to January 7, 2021, 30 percent of the qualified film production expenses not included at (a)1 above, including qualified wage and salary payments.
3. For completed applications received on or after January 7, 2021, and prior to July 2, 2021, 35 percent of the qualified film production expenses of the approved applicant during a privilege period or taxable year.
4. For completed applications received on or after July 2, 2021, the following percent of the qualified film production expenses of the approved applicant during a privilege period or taxable year:
 - i. For such expenses that are incurred for services performed and tangible personal property purchased for use at a sound stage or other location that is located in the State within a 30-mile radius of the intersection of Eighth Avenue/Central Park West, Broadway, and West 59th Street/Central Park South, New York, New York:
 - (1) For completed applications received after July 6, 2023, 35 percent for applications from film-lease production companies and studio partners; and
 - (2) For all other completed applications, 30 percent.
 - ii. For all other expenses, including qualified wage and salary payments:
 - (1) For completed applications received after July 6, 2023, 40 percent for applications from film-lease production companies and studio partners; and
 - (2) For all other completed applications, 35 percent.

(b) An approved applicant, upon final approval of an application to the Authority and the Director for digital media tax credits pursuant to [N.J.A.C. 19:31T-1.7\(e\)](#), shall be allowed a credit against the tax imposed pursuant to [N.J.S.A. 54:10A-5](#) or the tax otherwise due for the taxable year pursuant to [N.J.S.A. 54A:1-1](#) et seq., corresponding to the tax credit vintage year, which shall be a privilege period or taxable year commencing on or after July 1, 2018, but before July 1, 2039, in an amount equal to:

§ 19:31T-1.6 Tax credit amounts; bonus amount; carryforward of tax credits

1. For completed applications received on or after July 10, 2024:
 - i. Forty percent of the qualified digital media content production expenses of the approved applicant during a privilege period or taxable year that are incurred in New Jersey for post-production services, including visual effects services, performed at a film-lease partner facility or are incurred by a studio partner; and
 - ii. Thirty-five percent of the qualified digital media content production expenses of the approved applicant during a privilege period or taxable year that are incurred in New Jersey for post-production services, including visual effects services, and for which post-production services are performed by a qualified independent post-production company.
 2. For completed applications received prior to January 12, 2022:
 - i. Twenty-five percent of the qualified digital media content production expenses of the approved applicant during a privilege period or taxable year that are incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County; and
 - ii. Twenty percent of the qualified digital media content production expenses during a privilege period or taxable year of the approved applicant not included at (b)2i above, including qualified wage and salary payments.
 3. For completed applications received on or after January 12, 2022, but prior to July 10, 2024:
 - i. Thirty-five percent of the qualified digital media content production expenses of the approved applicant during a privilege period or taxable year that are incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County; and
 - ii. Thirty percent of the qualified digital media content production expenses during a privilege period or taxable year of the approved applicant not included at (b)3i above, including qualified wage and salary payments.
- (c)** No tax credit shall be allowed pursuant to this subchapter for any costs or expenses included in the calculation of any other tax credit or exemption granted pursuant to a claim made on a tax return filed with the Director, or included in the calculation of an award of business assistance or incentive, for a period of time that coincides with the privilege period or taxable year for which a tax credit authorized pursuant to this subchapter is allowed. No tax credit shall be allowed for expenses in an application if it has already been included in the calculation of an award pursuant to (a) or (b) above.
- (d)** A business that is not a "taxpayer" as defined and used in the Corporation Business Tax Act, [N.J.S.A. 54:10A-1](#) et seq., and, therefore, is not directly allowed a credit pursuant to this subchapter, but is a business entity that is classified as a partnership for Federal income tax purposes and is ultimately owned by a business entity that is a "corporation" as defined at N.J.S.A. 54:10A-4c, or a limited liability company formed pursuant to the Revised Uniform Limited Liability Company Act, [N.J.S.A. 42:2C-1](#) et seq., or qualified to do business in this State as a foreign limited liability company, with one member, and is wholly owned by the business entity that is a "corporation" as defined at N.J.S.A. 54:10A-4c, but otherwise meets all other requirements of this subchapter, shall be considered an eligible applicant pursuant to this program.
- (e)** A business entity that is not a gross income "taxpayer" as defined and used at [N.J.S.A. 54A:1-1](#) et seq., and, therefore, is not directly allowed a credit pursuant to this subchapter, but otherwise meets all the other requirements of this subchapter, shall be considered an eligible applicant pursuant to this program, and the application of an otherwise allowed credit amount shall be distributed to appropriate gross income taxpayers pursuant to the other requirements of this subchapter.

§ 19:31T-1.6 Tax credit amounts; bonus amount; carryforward of tax credits

(f) A business entity that is classified as a partnership for Federal income tax purpose shall not be allowed a tax credit pursuant to this section directly, but the amount of the tax credit of a gross income taxpayer in respect of a distributive share of entity income shall be determined by allocating to the gross income taxpayer that proportion of the tax credit acquired by the entity that is equal to the gross income taxpayer's share, whether or not distributed, of the total distributive income or gain of the entity for its taxable year ending within or with the gross income taxpayer's taxable year.

(g) A New Jersey S Corporation shall not be allowed a tax credit pursuant to this subchapter directly, but the amount of tax credit of a gross income taxpayer in respect of a pro rata share of S Corporation income, shall be determined by allocating to the gross income taxpayer that proportion of the tax credit acquired by the New Jersey S Corporation that is equal to the gross income taxpayer's share, whether or not distributed, of the total pro rata share of S Corporation income of the New Jersey S Corporation for its privilege period ending with the gross income taxpayer's taxable year.

(h) The order of priority in which the tax credit allowed by this section and any other credits allowed by law may be taken, shall be as prescribed by the Director.

(i) The amount of the tax credit applied pursuant to this section against the tax imposed pursuant to [N.J.S.A. 54:10A-5](#), for a privilege period, when taken together with any other payments, credits, deductions, and adjustments allowed by law shall not reduce the tax liability of the corporate business taxpayer to an amount less than the statutory minimum provided at [N.J.S.A. 54:10A-5](#).

(j) The amount of the tax credit applied pursuant to this section against the tax otherwise due pursuant to [N.J.S.A. 54A:1-1](#) et seq., for a taxable year, when taken together with any other payments, credits, deductions, and adjustments allowed by law shall not reduce the tax liability of the gross income taxpayer to an amount less than zero.

(k) The amount of tax credit otherwise allowable pursuant to this section that cannot be applied for the taxable year due to the limitations of this subsection or pursuant to other provisions at [N.J.S.A. 54:10A-1](#) et seq., or [54A:1-1](#) et seq., may be carried forward, if necessary, to the seven privilege periods or taxable years following the privilege period or taxable year for which the credit was allowed.

(l) Notwithstanding any limit at (a) or (b) above, the tax credits awarded may be increased pursuant to the following:

1. An approved applicant shall be allowed an increase in the tax credit against the tax imposed pursuant to [N.J.S.A. 54:10A-5](#), or pursuant to the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., in an amount equal to two percent of the qualified film production expenses or the qualified digital media content production expenses. For applications submitted on or after July 10, 2024, an increase of four percent of the qualified digital media content production expenses shall be allowed. In all cases, the application shall be accompanied by a diversity plan, outlining, in relation to the total film production expenses or total digital media content production expenses:

i. The intention to prioritize the hiring of minority persons and women in an amount of not less than 15 percent for applications approved prior to February 26, 2024, and 25 percent for applications approved thereafter of the total hired for the qualified film or digital media production;

ii. The efforts made, or to be made, in the recruitment, selection, appointment, promotion, training, and related employment areas to ensure equal employment opportunities for minority persons and women;

iii. The specific goals, which may include advertising and recruitment actions, for hiring minority persons and women, including full-time jobs for full-time or full-time equivalent employees in New Jersey for production staff and crew, entry level positions, management positions, and talent-related positions; and

iv. Whether the approved applicant intends to participate, or has participated, in training, education, and recruitment programs that are organized in cooperation with State colleges and

§ 19:31T-1.6 Tax credit amounts; bonus amount; carryforward of tax credits

universities, labor organizations, and the motion picture industry and are designed to promote and encourage the training and hiring of minority persons and women.

2. For applications submitted on or after January 12, 2022, the amount of the increase to a tax credit allowed pursuant to (f)1 above shall increase to four percent of the qualified film production expenses of the approved applicant if the diversity plan, in addition to meeting the requirements at (f)1 above, outlines specific goals that include hiring no less than 25 percent of persons as performers, excluding background actors and extras with no spoken lines, in the film who:

- i. Are women or members of a minority group;
- ii. Have been residents of New Jersey for at least 12 months preceding the beginning of filming or recording; and
- iii. Are members of a bona fide labor union representing film and television performers.

History

HISTORY:

Amended by R.2020 d.007, effective January 6, 2020.

See: [51 N.J.R. 1256\(a\)](#), [52 N.J.R. 58\(b\)](#).

Rewrote (f)1ii and (f)1iv.

Special amendment, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Rewrote the section.

In accordance with [N.J.S.A. 52:14B-5](#).l(d), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Rewrote the section.

Annotations

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N.J.A.C. 19:31T-1.7

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 57 No. 23,
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STATE FILM AND DIGITAL MEDIA JOBS PROGRAM			

§ 19:31T-1.7 Evaluation process; approval of award of tax credits

(a) Completed applications for tax credits shall be submitted to the Authority:

1. For completed applications for film tax credits, the Authority shall forward the application to the Commission for its review for content eligibility.
2. The application for tax credits shall be considered by the Authority for initial approval on a first in time basis, subject to the annual caps at [N.J.A.C. 19:31T-1.11](#).
3. At initial approval, the Authority will designate the maximum amount of the tax credit. To assist the Authority in reviewing the application, the Authority may retain a third-party consultant, at the cost of the applicant, to review the budget submitted by the applicant to determine if the qualified film or digital media content production expenses are reasonable based on industry standards.
4. The Authority shall issue an initial approval letter to the approved applicant that will include conditions subsequent to receipt of the tax credit including, but not limited to, the requirement for progress reports and the date by when final documentation pursuant to (b) below is required. The approval letter shall constitute the non-binding, administrative pre-certification process for potentially eligible projects. Failure to submit timely periodic reports that demonstrate satisfactory progress or timely final documentation may lead to the forfeiture of the tax credit.

(b) The final documentation required pursuant to (c) below shall be submitted to the Authority as follows:

1. For approved applications with a tax credit vintage year based on paragraph (a) of the definition of "tax credit vintage year", no later than four years after the Authority's initial approval if the approved applicant is seeking a credit against the tax imposed pursuant to [N.J.S.A. 54:10A-5](#) and three years after the Authority's initial approval if the approved applicant is seeking a credit against the tax imposed pursuant to the [N.J.S.A. 54A:1-1](#) et seq.
2. For approved applications with a tax credit vintage year based on paragraph (b) of the definition of "tax credit vintage year," no later than three years after the Authority's initial approval. The Authority shall grant no more than two six-month extensions of this deadline.

(c) Upon completion of the total digital media content production expenses for the privilege period or taxable year identified in the initial approval or at film completion, the approved applicant shall submit the following final documentation, which the Authority, in consultation with the Director and the Commission, shall process and evaluate:

1. With respect to a film:
 - i. Evidence satisfactory to the Commission, and written confirmation from the Commission to the Authority that principal photography commenced within 180 days from the date of the completed application for the tax credit;

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ii. Evidence satisfactory to the Commission that the film includes marketing materials, as deemed appropriate, pursuant to [N.J.A.C. 19:31T-1.3\(a\)3](#); and

iii. Evidence of film completion;

2. If the approved applicant is a studio partner or film-lease production facility, a certification from the designated studio partner or film-lease partner facility that it has continued to satisfy the requirements of a studio partner or film-lease production facility from the commencement of principal photography;

3. Actual budgets and proof of total and qualified film production expenses or total and qualified digital media content production expenses, including a listing of the name of the company or person paid; his, her, or its Federal identification number;

4. A report prepared by an independent certified public accountant licensed in the State verifying the expenses claimed by the approved applicant. The report shall be prepared by the independent certified public accountant, pursuant to agreed-upon procedures prescribed by the Authority and the Director.

i. The report shall include such information and documentation as shall be determined to be necessary by the Authority and the Director to substantiate the total and qualified film production expenses or the total and qualified digital media content production expenses of the approved applicant, and the date of the last total film production expense excluding any deferred compensation payments, including:

(1) A review of all non-payroll qualified film production expense items and non-payroll digital media content production expense items over \$ 20,000;

(2) A review of 100 randomly selected non-payroll qualified film production expense items and non-payroll digital media content production expense items that are greater than \$ 2,500, but less than \$ 20,000;

(3) A review of 100 randomly selected non-payroll qualified film production expense items and non-payroll digital media content production expense items that are less than \$ 2,500;

(4) A review of the qualified wages for the 15 employees, independent contractors, or loan-out companies with the highest qualified wages; and

(5) A review of the qualified wages for 35 randomly selected employees, independent contractors, or loan-out companies with qualified wages other than the 15 employees, independent contractors, or loan-out companies with the highest qualified wages;

ii. In the report, the approved applicant's qualified film production expenses and digital media content production expenses shall be adjusted based on any discrepancies identified for the reviewed non-payroll qualified film production expense items, non-payroll digital media content production expense items, and qualified wages. The approved applicant's qualified film production expenses and digital media content production expenses also shall be adjusted based on the projection of any discrepancies identified based on the review of randomly selected expense items or wages in each strata pursuant to this subsection to the extent that the discrepancies exceed one percent of the total reviewed non-payroll qualified film production expense items, non-payroll digital media content production expense items, or qualified wages in each strata. The determination shall be provided by the independent certified public accountant, in writing, to the approved applicant, the Authority, and the Director, and the approved applicant shall include a copy of the written determination in the filing of a return that includes a claim for a tax credit allowed pursuant to the Program;

iii. The amount of the qualified film production expenses or qualified digital media content production expenses in the report shall not be increased regardless of additional expenses after the date of the report;

iv. If the approved applicant is a studio partner and the qualified film production expenses include deferred compensation payments based on work or services provided on a production, the report

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shall include information necessary and relevant as determined by the Authority to demonstrate such deferred compensation payments; and

v. If the approved applicant is a film-lease production company pursuant to subparagraph (a)1i in the definition of New Jersey film-lease production company, the report shall also include verification of principal photography shoot days as necessary to demonstrate eligibility as a film-lease production company;

5. If the approved applicant was initially approved for a bonus amount of tax credit for a diversity plan pursuant to [N.J.A.C. 19:31T-1.6\(f\)](#), evidence of achieving the relevant percentage in the diversity plan or good faith efforts to undertake the diversity plan. The bonus amount shall not be included in the amount of the final approval if the approved applicant fails to submit satisfactory evidence to the Authority and the Division;

6. If the approved applicant is a film-lease production company, the executed lease, sublease, or license to occupy production space in a film-lease partner facility;

7. If the approved applicant is seeking tax credits on the basis of services performed by a qualified independent post-production company, a certification from the approved applicant that the independent post-production company met the definition of a qualified independent post-production company during the time in which the qualified digital media content production expenses were incurred;

8. A certification from the approved applicant that the information provided pursuant to this subsection is true under the penalty of perjury; and

9. Any other information necessary for the Authority and the Director to determine compliance with this program.

(d) Approved applicants that received initial approval for a reality show shall not be required to demonstrate evidence that all episodes commissioned or ordered have been filmed or produced or that the reality show has premiered.

(e) The Authority, in consultation with the Division and Commission, shall determine final approval of the tax credit in an amount based on the Authority's determination of the total and qualified film production expenses or total and qualified digital media content production expenses reported in the independent certified public accountant's report, but in no event shall the tax credit be greater than the amount stated in the Authority's initial approval. The Authority shall provide, in writing, to the approved applicant, the determination of the expenses, and a copy of the written determination shall be included in the filing of a return that includes a claim for a tax credit allowed pursuant to this section.

(f) If the Authority has approved the application, the Authority shall notify the Division of the final approval. The Division shall then issue the tax credit certificate to the approved applicant. The approved applicant's use of the tax credit shall be limited pursuant to [N.J.A.C. 19:31T-1.9](#).

(g) If a studio partner received a tax credit for qualified film production expenses that included deferred compensation payments based on work or services provided on a production, the studio partner shall submit a supplemental report prepared by a certified public accountant pursuant to agreed-upon procedures prescribed by the Authority and the Director no later than two years after the date on which the production concludes, as established by the date of film completion.

History

HISTORY:

Administrative correction.

See: [51 N.J.R. 173\(b\)](#).

§ 19:31T-1.7 Evaluation process; approval of award of tax credits

Amended by R.2020 d.007, effective January 6, 2020.

See: [51 N.J.R. 1256\(a\)](#), [52 N.J.R. 58\(b\)](#).

In (a), deleted ", which will be the fiscal year in which the application receives initial approval" from the end of the third sentence; and in (c)1, inserted "the earlier of" and substituted "completed" for "original".

Special amendment, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Section was "Evaluation process for tax credits; initial approval for tax credits, award of tax credits; appeals". Rewrote the section.

In accordance with [N.J.S.A. 52:14B-5.l\(d\)](#), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Section was "Evaluation process; initial approval award of tax credits". Rewrote the section.

Annotations

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N.J.A.C. 19:31T-1.8

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§ 19:31T-1.8 Evaluation process and designation of studio partner and film-lease partner facility

- (a) An application for designation as a studio partner or a film-lease partner facility shall be submitted to the Authority.
- (b) The completed application for designation as a studio partner or film-lease partner facility shall be considered by the Authority for approval on a first in time basis. If interest in a studio partner or film-lease partner facility designation so warrants, at the Authority's discretion, and upon notice, the Authority may institute a competitive application process whereby all completed applications submitted by a date certain will be evaluated as if submitted on that date.
- (c) To assist the Authority in designating a studio partner or film-lease partner facility, the Authority may employ an independent consultant, at the cost of the applicant, or may consult with the Commission.
- (d) Upon review of the completed application, the Authority's Board shall consider whether to designate the applicant as a studio partner or film-lease partner facility pursuant to [N.J.A.C. 19:31T-1.3\(d\)](#) and (e), respectively. The designation shall expire at the end of the studio partner's commitment period.
1. Effective upon designation as a studio partner, a film production company shall be eligible for a credit as a studio partner pursuant to this subchapter, provided the film production company otherwise complies with the eligibility requirements of the program.
 2. A film production facility may receive its film-lease partner facility designation prior to executing an equity agreement with the Authority provided final approval of such agreement occurs on or before the date on which production commences at the facility.
 3. For completed applications approved on or after July 10, 2024, a film-lease production company may apply for film tax credits upon the designation of the corresponding film-lease partner facility, if the film-lease production company applies pursuant to paragraph (a)2 in the definition of New Jersey film-lease production company.
- (e) Following approval by the Authority's Board, the Authority shall require the approved applicant to execute and return an approval letter to the Authority. The Board's designation shall be subject to conditions subsequent set forth in the approval letter. The conditions in the approval letter must be met to retain the designation.
1. The conditions of approval shall include, but not be limited to, submission of periodic progress reports; executed financing commitments, if applicable; and evidence of site plan approval or executed redevelopment agreement with a governmental entity, as applicable; all required planning and zoning approvals and permits, and any other required permits; and evidence of site control of the production facility within one year from Board approval of the designation. The Authority may grant six-month extensions of this deadline.

§ 19:31T-1.8 Evaluation process and designation of studio partner and film-lease partner facility

2. As set forth at [N.J.A.C. 19:31T-1.12](#), the conditions shall also include the requirement that construction at the production facility complies with the prevailing wage and affirmative action requirements; and that the production facility does not violate any environmental law requirements, including, but not limited to, the Flood Hazard Area Control Act Rules, [N.J.A.C. 7:13](#).

3. A studio partner or film-lease partner facility shall submit the final floor plan, or site plan if there are multiple buildings, indicating the uses and square footage of each area and one or more temporary certificates of occupancy for the minimum required square footage within 36 months from the later of Board approval of the designation and February 26, 2024. The Authority may grant six-month extensions of this deadline.

4. Absent extenuating circumstances or the Authority's determination in its sole discretion, the Authority's designation shall expire if the approved applicant does not provide the required documents within the period of time prescribed in this subsection.

(f) When deciding whether to make an equity investment in a film-lease partner facility and the terms of such investment, the Authority shall consider such factors as the financial structure of the production facility, the risk of the investment in the production facility, developer contributed capital or equity, the magnitude of State or other governmental support, the reasonable and appropriate return on investment to the developer and the Authority, and the terms offered to other equity owners and investors.

(g) A studio partner shall execute an award agreement that shall include, but not be limited to:

1. The commencement and end of the commitment and eligibility periods; and
2. An agreement that the studio partner shall maintain the lease or ownership of the production facility for the duration of the commitment period. The studio partner shall:
 - i. Not lease, sublease, or license any part of the production facility such that the studio partner occupies less than the minimum amount of square feet for more than 12 consecutive months or for a period longer than the remainder of the duration of the commitment period unless the lease, sublease, or license is to another entity that is a studio partner, when applying for a film tax on the basis of the designated studio partner;
 - ii. Not sell any part of the production facility, provided that a studio partner may sell the production facility if it remains the tenant in the production facility occupying at least the minimum amount of square feet; and
 - iii. Unless otherwise allowed in this subchapter, not receive any benefits from this program for any activity of its tenant or subtenant and the tenant or subtenant shall not receive any benefits from this program from the studio partner's designation.

(h) A film-lease partner facility shall execute an award agreement that shall include, but not be limited to, the following:

1. The commencement of the ownership, lease, or operation and if not owned, the length of the lease or other site control agreement; and
2. An agreement that the film-lease partner facility shall maintain the lease or ownership of the production facility in order to maintain the designation. The film-lease partner facility shall:
 - i. Not lease, sublease, or license any part of the production facility for uses other than film production uses such that the film-lease partner facility occupies less than the minimum amount of square feet;
 - ii. Absent the Authority's written consent, not sell any part of the production facility, provided that a film-lease partner facility may sell the production facility if it remains the tenant in the production facility occupying at least the minimum amount of square feet; and
 - iii. Unless otherwise allowed in this subchapter, not receive any tax credits pursuant to this program for any activity of its occupant, tenant, or subtenant.

§ 19:31T-1.8 Evaluation process and designation of studio partner and film-lease partner facility

- (i) The award agreement for a studio partner and a film-lease partner facility shall also include:
1. A method for the approved applicant to certify that it has met the eligibility requirements of the program;
 2. A provision permitting an audit of evidence and documentation of the approved applicant supporting any submissions demonstrating eligibility and site visits, as the Authority deems necessary;
 3. A provision permitting the Authority to amend the agreement;
 4. A provision establishing the conditions pursuant to which the Authority, the approved applicant, or both parties, may terminate the agreement;
 5. Indemnification and insurance requirements from the approved applicant;
 6. Events that would trigger forfeiture, reduction, or recapture of tax credits, including, but not limited to, provisions in this subchapter; and
 7. Default and remedies, including, but not limited to, a default if an approved applicant made a material misrepresentation on its application.

History

HISTORY:

Special new rule, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Former N.J.A.C. 19:31-21.8, "Application for tax credit transfer certificate", recodified to N.J.A.C. 19:31-21.10.

In accordance with [N.J.S.A. 52:14B-5.l\(d\)](#), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Rewrote the section.

Annotations

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N.J.A.C. 19:31T-1.9

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§ 19:31T-1.9 Recapture and reduction of tax credits

(a) If the studio partner was designated on the basis of a lease of a production facility that is a portion of a film-lease production facility before the film-lease partner facility receives a temporary certificate of occupancy and fails to occupy such facility:

1. The Authority shall revoke the designation of the studio partner;
2. All the studio partner's films, and all films from film production companies approved for film tax credits as studio partners on the basis of the designated studio partner, for which an initial approval has been given, but for which the Authority has not given final approval, shall terminate as a studio partner film project and shall be considered as a film project without the benefit of a studio partner designation; and
3. The Authority may recapture from the studio partner the portion of the tax credit that was only available to the studio partner or any film production company by virtue of the studio partner's designation as a studio partner, except that the Authority shall not recapture any tax credits within one year after the approval of the studio partner designation.

(b) For all studio partners other than those described at (a) above, if a designated studio partner fails to occupy the production facility developed, purchased, or leased as a condition of designation as a studio partner for the duration of the commitment period or otherwise fails to satisfy the conditions for designation as a studio partner, the Authority shall revoke the designation of the studio partner and recapture from the studio partner the portion of the tax credit that was only available to the studio partner or any film production company by virtue of the studio partner's designation as a studio partner, and all the studio partner's films , and all films from film production companies approved for a film tax credit as studio partners on the basis of the designated studio partner, for which an initial approval has been given, but for which the Authority has not given final approval, shall terminate.

(c) If a film-lease partner facility fails to operate the production facility developed, purchased, or leased as a condition of designation as a film-lease partner facility or otherwise fails to satisfy the conditions for designation as a film-lease partner facility for the duration of the five-year period, the Authority may revoke the designation of the film-lease partner facility and recapture from the film-lease partner facility the portion of the tax credit that was only available to film-lease production companies by virtue of the film-lease partner facility's designation as a film-lease partner facility, and all films from film-lease production companies that relied on the film-lease partner facility designation for which an initial approval has been given, but for which the Authority has not given final approval, shall be reduced to eliminate the portion of the tax credits only available by virtue of the film-lease partner facility's designation as a film-lease partner facility.

(d) If a film-lease production company that was issued a film tax credit pursuant to paragraph (a)2 in the definition of New Jersey film-lease production company has failed to meet the qualifications of a film-lease

§ 19:31T-1.9 Recapture and reduction of tax credits

production company or otherwise comply with the applicable provisions in the definition of New Jersey film-lease production company:

1. All the film-lease production company's films for which an initial approval has been given, but for which the Authority has not given final approval, shall terminate as a film-lease production company film project and shall be considered a film project without the benefit of any film-lease partner facility designation; and
 2. The Authority may recapture from the film-lease production company the portion of the tax credit that had been awarded to the film-lease production company that was only available to the film-lease production company on the basis of the designation of a film-lease partner facility, except that the Authority shall not recapture any tax credits within one year of the date of the film-lease production company's lease with the film-lease partner facility.
- (e) If an approved applicant has received tax credits on the basis of deferred compensation and the supplemental report from the independent certified public accountant does not evidence actual payment of the entire amount of deferred compensation, the Authority shall recapture the amount of the tax credit that was based on the projected deferred compensation that was not evidenced. If the approved applicant fails to submit the supplemental report by the date required, the Authority shall recapture all of the tax credit based on the projected deferred compensation.
- (f) If, at any time, the Authority determines that a designated studio partner or film-lease partner facility made a material misrepresentation on its application or any submission pursuant to this program, the Authority shall revoke the designation and the studio partner or film-lease partner facility shall forfeit, and the Authority may recapture any or all of, the tax credits awarded to the studio partner or any film-lease production company or film production company approved for tax credits by virtue of the designation of the studio partner or film-lease partner facility, which shall be in addition to any other remedies in any approval letter, award agreement, and any criminal or civil penalties to which the approved applicant and the respective officer may be subject.
- (g) If, at any time, the Authority determines that an approved applicant for a tax credit made a material misrepresentation on the approved applicant's application or any submission pursuant to this program, the approved applicant shall forfeit, and the Authority may recapture any or all of, the tax credits awarded pursuant to the program, which shall be in addition to any other remedies in any approval letter, award agreement, and any criminal or civil penalties to which the approved applicant and the respective officer may be subject.
- (h) If, based on new information, the Authority determines that a reduction, forfeiture, or recapture should have been applicable pursuant to this section, the Authority shall recapture the tax credits for the relevant tax period(s).
- (i) If all or part of a tax credit sold or assigned pursuant to [N.J.A.C. 19:31T-1.10](#) is subject to recapture, then the Authority shall pursue recapture from the corresponding studio partner, film-lease partner facility, or film production company, and not from the purchaser or assignee of the tax credit transfer certificate.
- (j) Any funds recaptured pursuant to this section, including penalties and interest, shall be deposited into the General Fund of the State.

History

HISTORY:

Special new rule, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Former N.J.A.C. 19:31-21.9, "Cap on total credits", recodified to N.J.A.C. 19:31-21.11.

§ 19:31T-1.9 Recapture and reduction of tax credits

In accordance with [N.J.S.A. 52:14B-5](#).l(d), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Rewrote the section.

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§ 19:31T-1.10 Application for tax credit transfer certificate

(a) Tax credits, upon receipt thereof by an approved applicant from the Director and the Authority, may be transferred, by sale or assignment, in full or in part, pursuant to this section, subject to the cumulative total at [N.J.A.C. 19:31T-1.11\(a\)](#), to any other taxpayer who may have a tax liability pursuant to [N.J.S.A. 54:10A-5](#) or [54A:1-1](#) et seq. An approved applicant shall apply to the Authority and the Director for a tax credit transfer certificate, in lieu of the approved applicant being allowed any amount of the credit against the tax liability of the approved applicant. Such application shall identify the specific tax credits to be transferred, the consideration received therefor, and the identity of the transferee. Once approved by the Chief Executive Officer of the Authority and the Director of the Division of Taxation, a tax credit transfer certificate shall be issued to the approved applicant, naming the transferee. The certificate issued to the approved applicant shall include a statement waiving the approved applicant's right to claim that amount of the tax credit against the taxes that the approved applicant has elected to sell or assign. Any amount of a tax credit transfer certificate used by a purchaser or assignee against a tax liability shall be subject to the same limitations and conditions that apply to the use of the tax credits pursuant to [N.J.A.C. 19:31T-1.6](#).

(b) The sale or assignment of any amount of a tax credit transfer certificate allowed pursuant to this section shall not be exchanged for consideration received by the approved applicant of less than 75 percent of the transferred credit amount. In order to evidence this requirement, the approved applicant shall submit to the Authority an executed form of standard selling agreement that evidences that the consideration received by the approved applicant is not less than 75 percent of the transferred tax credit.

(c) In the event that the approved applicant is a partnership and chooses to allocate the income realized from the sale of the tax credits other than in proportion to the partners' distributive shares of income or gain of the partnership, the selling agreement shall set forth the allocation among the partners that has previously been submitted to the Director of the Division of Taxation in the Department of the Treasury pursuant to [N.J.A.C. 19:31T-1.6](#).

(d) The Authority shall develop and make available forms of applications and certificates to implement the transfer processes described in this section.

(e) The Authority shall publish on its website the following information concerning each tax credit transfer certificate approved by the Authority and the Director pursuant to this section:

1. The name of the transferrer;
2. The name of the transferee;
3. The value of the tax credit transfer certificate; and
4. The State tax against which the transferee may apply the tax credit.

History

§ 19:31T-1.10 Application for tax credit transfer certificate

HISTORY:

Recodified from N.J.A.C. 19:31-21.8 and special amendment by R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Former N.J.A.C. 19:31-21.10, "Affirmative action; and prevailing wage", recodified to N.J.A.C. 19:31-21.12. Substituted "approved applicant" for "taxpayer" throughout; in (a), substituted "in N.J.A.C. 19:31-21.9(a)" for "at N.J.A.C. 19:31-21.11(a)"; in (b), substituted "pursuant to" for "under" following "allowed"; and added (e).

In accordance with [N.J.S.A. 52:14B-5](#).l(d), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Rewrote the section.

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N.J.A.C. 19:31T-1.11

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§ 19:31T-1.11 Cap on total credits

(a) The value of tax credits, including tax credits allowed through the granting of tax credit transfer certificates, approved by the Director and the Authority pursuant to [N.J.A.C. 19:31T-1.6\(a\)](#) to apply against the tax imposed pursuant to [N.J.S.A. 54:10A-5](#) and the tax imposed pursuant to the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., shall be allowed in the fiscal year of initial approval, except as provided at (a)4 below, as follows:

1. Pursuant to N.J.S.A. 54:10A-5.39b.e and 54A:4-12b.f, and, except as provided at [N.J.S.A. 34:1B-362.d](#) and (a)2 below, to approved applicants, other than studio partners and film-lease production companies, the cumulative total shall not exceed \$ 100,000,000 in fiscal year 2019, and in each fiscal year thereafter prior to fiscal year 2040 .
2. Pursuant to [N.J.S.A. 34:1B-362.d](#), notwithstanding the provisions of any other law to the contrary, of the uncommitted balance of the total value of tax credits authorized for award by the Authority pursuant to [N.J.S.A. 34:1B-362.b\(1\)\(f\)](#) to the New Jersey Aspire Program Act, [N.J.S.A. 34:1B-322](#) through 335, and to the Emerge Program Act, [N.J.S.A. 34:1B-336](#) through 348, \$ 300,000,000 shall also be made available for tax credits allowed in fiscal year 2025.
3. For studio partners and film-lease production companies:
 - i. Pursuant to N.J.S.A. 54:10A-5.39b.e and 54A:4-12b.f, except as provided at (a)3ii and iii below, the cumulative total shall not exceed \$ 100,000,000 in fiscal year 2021 and in each fiscal year thereafter prior to fiscal year 2024, and shall not exceed a cumulative total of \$ 150,000,000 in fiscal year 2024 and in each fiscal year thereafter prior to fiscal year 2040, to apply against the tax imposed pursuant to [N.J.S.A. 54:10A-5](#) and the tax imposed pursuant to the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq.
 - ii. Pursuant to [N.J.S.A. 34:1B-362.d](#), notwithstanding the provisions of any other law to the contrary, of the uncommitted balance of the total value of tax credits authorized for award by the Authority pursuant to [N.J.S.A. 34:1B-362.b\(1\)\(f\)](#) to the New Jersey Aspire Program Act, [N.J.S.A. 34:1B-322](#) through 335, and to the Emerge Program Act, [N.J.S.A. 34:1B-336](#) through 348, \$ 250,000,000 shall also be made available for tax credits allowed in fiscal years 2023, 2024, and 2025.
 - iii. Pursuant to [N.J.S.A. 34:1B-362.b\(1\)\(i\)](#), 54:10A-5.39b.e, and 54A:4-12b.f, beginning in fiscal year 2023, in addition to the cumulative total tax credits made available for studio partners pursuant to (a)3i and ii above, up to an additional \$ 400,000,000 may be made available annually to studio partners and \$ 250,000,000 for film-lease production companies, in the discretion of the Authority, for the award of tax credits, including tax credits allowed through the granting of tax credit transfer certificates, from the funds made available pursuant to [N.J.S.A. 34:1B-362.b\(1\)\(i\)](#), from the tax credits made available pursuant to [N.J.S.A. 34:1B-362.b\(1\)\(f\)](#) to the New Jersey Aspire Program Act,

§ 19:31T-1.11 Cap on total credits

[N.J.S.A. 34:1B-322](#) through 335, and to the Emerge Program Act, [N.J.S.A. 34:1B-336](#) through 348, not including tax credits awarded for transformative projects.

4. If the applicable cumulative total amount of tax credits initially approved and tax credit transfer certificates approved for privilege periods or taxable years commencing during a single fiscal year pursuant to [N.J.A.C. 19:31T-1.6\(a\)](#) exceeds the amount of tax credits available in that fiscal year, then applicants who have first applied for and have not been approved a tax credit or tax credit transfer certificate amount for that reason shall have their applications approved by the Authority, provided the applications otherwise satisfy the requirements of the program, and shall be allowed the amount of tax credit or tax credit transfer certificate on the first day of the next succeeding fiscal year in which tax credits and tax credit transfer certificates pursuant to [N.J.A.C. 19:31T-1.6\(a\)](#) are not in excess of the amount of applicable credits available.

(b) The value of tax credits, including tax credits allowed through the granting of tax credit transfer certificates, approved by the Authority and the Director pursuant to [N.J.A.C. 19:31T-1.6\(b\)](#) to apply against the tax imposed pursuant to [N.J.S.A. 54:10A-5](#) and the tax imposed pursuant to the New Jersey Gross Income Tax Act, [N.J.S.A. 54A:1-1](#) et seq., shall be allowed in the fiscal year of initial approval as follows:

1. Pursuant to N.J.S.A. 54:10A-5.39b.e and 54A:4-12b.f, the cumulative total of \$ 30,000,000 in fiscal year 2019, and in each fiscal year thereafter prior to fiscal year 2040 .
2. Beginning in the fiscal year beginning July 1, 2024, in addition to the total amount of tax credits and tax credit transfer certificates allowed to approved applicants for privilege periods or taxable years commencing during a single fiscal year pursuant to (b)1 above, up to an additional \$ 100,000,000 may be made available, at the discretion of the Authority for the award of tax credits, including tax credits allowed through the granting of tax credit transfer certificates, from the funds made available to approved applicants for film tax credits other than studio partners and film-lease production companies pursuant to [N.J.S.A. 34:1B-362.d\(3\)](#) and (a)2 above.
3. If the total amount of tax credits initially approved and tax credit transfer certificates approved for privilege periods or taxable years commencing during a single fiscal year pursuant to [N.J.A.C. 19:31T-1.6\(b\)](#) exceeds the amount of tax credits available in that year, then applicants who have first applied for and who have not been approved a tax credit or tax credit transfer certificate amount for that reason shall have their applications approved by the Authority; provided the applications otherwise satisfy the requirements of this section, and shall be allowed the amount of tax credit or tax credit transfer certificate on the first day of the next succeeding fiscal year in which tax credits and tax credit transfer certificates pursuant to [N.J.A.C. 19:31T-1.6\(b\)](#) are not in excess of the amount of credits available.

(c) Notwithstanding any provision at (a) above to the contrary, for any fiscal year in which the amount of tax credits approved to studio partners, film-lease production companies, or approved applicants other than studio partners and film-lease production companies pursuant to [N.J.A.C. 19:31T-1.6\(a\)](#) and N.J.S.A. 54:10A-5.39b.a and 54A:4-12b.a is less than the cumulative total amount of tax credits permitted to be approved to each such category, in that fiscal year, the Authority shall certify the amount of the remaining tax credits available for approval to each such category in that fiscal year, and shall increase the cumulative total amount of tax credits permitted to be approved for studio partners, film-lease production companies, or approved applicants other than studio partners and film-lease production companies in the subsequent fiscal year by the certified amount remaining for each such category from the prior fiscal year. The Authority shall also certify, for each fiscal year, the amount of tax credits that were previously approved, but that the approved applicant is not able to redeem or transfer to another taxpayer pursuant to this subchapter, and shall increase the cumulative total amount of tax credits permitted to be approved for studio partners, film-lease production companies, or applicants other than studio partners and film-lease production companies in the subsequent fiscal year by the amount of tax credits previously approved for each such category, but not subject to redemption or transfer.

(d) Notwithstanding any provision at (b) above to the contrary, for any fiscal year in which the amount of tax credits approved pursuant to [N.J.A.C. 19:31T-1.6\(b\)](#) and N.J.S.A. 54:10A-5.39b.b and 54A:4-12b.b is less than the cumulative total amount of tax credits permitted to be approved in that fiscal year, the

§ 19:31T-1.11 Cap on total credits

Authority shall certify the amount of the remaining tax credits available for approval in that fiscal year, and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the certified amount remaining from the prior fiscal year. The Authority shall also certify, for each fiscal year, the amount of tax credits that were previously approved, but that the approved applicant is not able to redeem or transfer to another taxpayer pursuant to this section and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the amount of tax credits previously approved, but not subject to redemption or transfer.

(e) Notwithstanding any provision of this section or other law to the contrary, if a film production company designated as a studio partner ceases to qualify for its designation as a studio partner and becomes designated as a film-lease partner facility, the Authority shall reduce the cumulative total amount of tax credits, including tax credits allowed through the granting of tax credit transfer certificates, made available to studio partners in each fiscal year and shall increase the cumulative total amount of tax credits permitted to be approved for film-lease production companies in each fiscal year by a corresponding amount equal to the lesser of:

1. One third; and
2. The greater of the percentage of the studio partner's number of film tax credit applications out of the volume of applications submitted by studio partners and film-lease production companies, the percentage of the cumulative total amount of tax credits approved for the studio partner out of the cumulative total amount of tax credits approved to studio partners and film-lease production companies in the prior fiscal year, and the percentage of the studio partner's square footage out of the total square footage of production facility space occupied in the State by studio partners and production facilities.

History

HISTORY:

Amended by R.2020 d.007, effective January 6, 2020.

See: [51 N.J.R. 1256\(a\)](#), [52 N.J.R. 58\(b\)](#).

In (a), substituted "fiscal year in which the tax credit was initially approved" for "tax credit vintage year".

Recodified from N.J.A.C. 19:31-21.9 and special amendment by R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Former N.J.A.C. 19:31-21.11, "Severability", recodified to N.J.A.C. 19:31-21.14. Rewrote (a); in (b), substituted "\$ 30,000,000" for "\$ 10,000,000", "2040" for "2024", inserted "the New Jersey Gross Income Tax Act," substituted "pursuant to" for "under" twice, and "applicants" for "taxpayers"; and added (c) through (e).

In accordance with [N.J.S.A. 52:14B-5.l\(d\)](#), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Rewrote the section.

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§ 19:31T-1.12 Affirmative action; and prevailing wage

(a) The Authority's affirmative action requirements, [N.J.S.A. 34:1B-5.4](#), and prevailing wage requirements, [N.J.S.A. 34:1B-5.1](#), shall apply to the qualified film production expenses and the qualified digital media content production expenses, including, but not limited to, the following:

1. Construction contracts for work performed on or after the Authority's initial approval; and
2. Construction contracts for work performed before the application and after February 26, 2024.

(b) For studio partners and film-lease partner facilities, the Authority's affirmative action requirements at [N.J.S.A. 34:1B-5.4](#) and N.J.A.C. 19:30-3, and prevailing wage requirements at [N.J.S.A. 34:1B-5.1](#) and N.J.A.C. 19:30-4 shall apply to construction contracts for work performed at the production facility after the later of February 26, 2024, and the Authority's approval of the designation.

History

HISTORY:

Recodified from N.J.A.C. 19:31-21.10 and special amendment by R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

Rewrote the section.

In accordance with [N.J.S.A. 52:14B-5.l\(d\)](#), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted with substantial changes by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

Rewrote the section.

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§ 19:31T-1.13 Appeals

(a) The Board's action shall be effective 10 business days after the Governor's receipt of the minutes, provided neither an early approval nor veto has been issued.

(b) An applicant may appeal the Authority's action by submitting, in writing, to the Authority, within 20 calendar days from the effective date of the Authority action, an explanation as to how the applicant has met the program criteria. Such appeals are not contested cases subject to the requirements of the Administrative Procedure Act, [N.J.S.A. 52:14B-1](#) et seq., and [52:14F-1](#) et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

(c) Appeals that are timely submitted shall be handled by the Authority as follows:

1. The Chief Executive Officer shall designate an employee of the Authority to serve as a hearing officer for the appeal and to make a recommendation on the merits of the appeal to the Board. The hearing officer shall perform a review of the written record and may require an in-person hearing. The hearing officer has sole discretion to determine if an in-person hearing is necessary to reach an informed decision on the appeal. Unless the application was submitted in response to a competitive application process, the Authority may consider new evidence or information that would demonstrate that the applicant meets all of the application criteria.
2. Following completion of the record review and/or in-person hearing, as applicable, the hearing officer shall issue a written report to the Board containing his or her finding(s) and recommendation(s) on the merits of the appeal. The hearing officer's report shall be advisory in nature. After reviewing the report, the Chief Executive Officer of the Authority may also include a recommendation to the written report of the hearing officer. The applicant shall receive a copy of the written report of the hearing officer, which shall include the recommendation of the Chief Executive Officer, if any, and shall have the opportunity to file written comments and exceptions to the hearing officer's report within five business days from receipt of such report.
3. The Board shall consider the hearing officer's report, the recommendation of the Chief Executive Officer, if any, and any written comments and exceptions timely submitted by the applicant. Based on that review, the Board shall issue a final decision on the appeal.
4. Final decisions rendered by the Board shall be appealable to the Superior Court of New Jersey, Appellate Division, in accordance with the Rules Governing the Courts of the State of New Jersey.

History

HISTORY:

Special new rule, R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

§ 19:31T-1.13 Appeals

See: [56 N.J.R. 491\(a\)](#).

In accordance with [N.J.S.A. 52:14B-5](#).l(d), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted without change by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

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§ 19:31T-1.14 Severability

If any section, subsection, provision, clause, or portion of this subchapter is adjudged to be unconstitutional or invalid by a court of competent jurisdiction, the remaining portions of this subchapter shall not be affected thereby.

History

HISTORY:

Recodified from N.J.A.C. 19:31-21.11 and special amendment by R.2024 d.022, effective February 26, 2024 (to expire February 22, 2025).

See: [56 N.J.R. 491\(a\)](#).

In accordance with [N.J.S.A. 52:14B-5.l\(d\)](#), the expiration date of specially adopted amendment R. 2024 d.022, was extended by gubernatorial directive from February 22, 2025 to February 22, 2026.

See: [57 N.J.R. 388\(a\)](#).

Provisions of R.2024 d.022 readopted without change by R.2025 d.146, effective October 24, 2025.

See: [57 N.J.R. 1226\(a\)](#), [57 N.J.R. 2693\(a\)](#).

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