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WISCONSIN INCENTIVIZES "CLOSING CREDITS" BY OPENING NEW TAX CREDITS FOR FILMMAKERS

A significant development to Wisconsin's economic and cultural policy is now underway, as Governor Tony Evers announced on February 17, 2026, the launch of the state's new film production tax credit program and the establishment of a dedicated state film office. As part of the 2025-27 biennial budget, the state authorized up to $5 million in annual tax credits designed to incentivize film, television, documentary, and related production activity within Wisconsin. The program, administered by Film Wisconsin under the Department of Tourism, marks Wisconsin's return to offering competitive production incentives after a fifteen-year period in which the state has gone without a comprehensive tax-incentive program for media production, aligning the state more closely with regional peers, such as Illinois and Minnesota, that actively court creative industry investment by offering related tax credits.

Eligible projects must meet defined minimum spending thresholds to qualify for the tax credit—typically $100,000 for productions of 30 minutes or longer and $50,000 for shorter works. Eligible costs for the credit include in-state wages for cast and crew, accommodations and lodging, set construction and operations, rental or purchase of equipment and facilities, location fees, and other production-related goods and services. Credits are capped at $1 million per project annually, and Film Wisconsin will review applications monthly, providing a structured and transparent process for applicants. The credit is retroactive to qualifying expenditures beginning January 1, 2026, meaning that early-year investments may still be eligible for relief.

The film tax credit reflects a targeted economic development approach that leverages tax incentives to stimulate job creation, local hiring, and spending in Wisconsin's service and supplier ecosystem. By formalizing eligibility criteria, administrative oversight, and annual caps, the program seeks to balance fiscal stewardship with industry competitiveness. For production stakeholders, understanding the compliance requirements is essential for maximizing the benefits of the program. As the initiative unfolds in 2026 and beyond, the film tax credit could become a cornerstone of Wisconsin's broader strategy to enhance its creative economy and attract an expanded slate of production activity.

The legal implications extend beyond eligibility analysis. Structuring considerations may

include entity formation, allocation of credits in pass-through entities, transferability mechanics, and coordination with other state or federal incentives. Additionally, the program may require contractual provisions addressing credit risk allocation, clawback exposure, audit rights, and representations concerning local hiring and spending thresholds, all of which should be evaluated by counsel. As rulemaking and administrative guidance evolve, ongoing monitoring will be essential to ensure the available incentives are maximized while maintaining full statutory and regulatory compliance.