
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2319 (Schultz) - Personal Income Tax Law: Corporation Tax Law: credits: qualified motion picture: post-production

Version: June 25, 2026

Urgency: No

Hearing Date: August 13, 2026

Policy Vote: REV. & TAX. 4 - 0

Mandate: No

Consultant: Robert Ingenito

Bill Summary: AB 2319 would enact the California Postproduction Tax Credit program, as specified.

***** **ANALYSIS ADDENDUM – SUSPENSE FILE** *****

**The following information is revised to reflect amendments
adopted by the committee on August 13, 2026**

Fiscal Impact:

- The California Film Commission (CFC) indicates that it would incur annual implementation costs of \$672,000 (General Fund).
- Assuming \$100 million in tax credit allocations are authorized beginning in 2027-28, the Department of Finance (DOF) estimates this bill would reduce General Fund revenues by \$2 million in 2027-28, \$9.4 million in 2028-29, and \$18.1 million in 2029-30, with additional revenue losses in subsequent years. DOF also estimates the bill would reduce sales tax revenues deposited into the Local Revenue Fund 2011 by \$18,000 in 2027-28, \$86,000 in 2028-29, and \$1.6 million in 2029-30, with additional revenue losses in subsequent years.
- The Franchise Tax Board (FTB) would incur administrative costs of \$290,000 in 2026-27, \$342,000 in 2027-28, and minor amounts annually thereafter, to implement the provisions of the bill. (General Fund).

Author Amendments:

- Provide that the credit would be able to reduce Tentative Minimum Tax to zero, as specified.
- Modify the "applicable period" to start when the credit is allocated.
- Change to the definition of "editorial post-production" to include "digital and film dailies color and processing, cloud workflow and data management." Remove "music composition" from the definition.
- Delete a requirement for a minimum spend for visual effects.
- Clarify that "qualified expenditures" include amounts paid for music orchestration services performed outside of the state if it is for music recorded in the state.

- Make various technical changes.

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