

VIEWPOINT

The St. Louis Business Journal welcomes letters to the editor and commentaries.

OPINION

GOVERNOR SHOULD SIGN ENTERTAINMENT TAX CREDIT

Editor's note: The Missouri General Assembly in May passed legislation granting up to \$3 million in tax credits for \$8 million in costs for music rehearsal and tour expenses, as well as credits on 20% of expenses for film productions, among other things. The bill is on Gov. Mike Parson's desk. Gateway Studios is building a \$150 million music studio complex in Chesterfield.

BY TREY KERR

The Entertainment Industry Jobs Act, also known as SB94 or the Show Mo Act, has garnered considerable attention in Missouri and has passed the House and the Senate.

Gateway Studios supports the Entertainment Industry Jobs Act because, if signed, it will not only create hundreds of jobs in Missouri's entertainment business, but thousands more in a ripple effect across the entire state. Contractors, building trades, freelancers and other indirect jobs will benefit from the increased activity and investment in the entertainment sector.

Moreover, the bill is projected to bring in millions of dollars to Missouri through job creation and other indirect sources. A study commissioned by Gateway indicates that the economic impact of this bill could support more than 3,000 direct and indirect new full-time, sustainable jobs across a wide variety of industries. These jobs will not only benefit the individuals employed, but also contribute to the overall growth of the state and local economy.

This economic activity is projected to generate more than \$22 million in direct and indirect tax revenue for state and local jurisdictions, providing a boost to public funds for various essential services. For instance, artists using qualified rehearsal facilities will



A rendering of Gateway Studios' proposed music production facility in Chesterfield Valley.

CHESTERFIELD



Trey Kerr is CEO of St. Louis-based Gateway Studios & Production Services (GPS), which provides video, lighting, audio and more for acts including Doobie Brothers, Phish, Hall & Oates, Jack Johnson and Professional Bull Riders

be required to perform two concerts in the state. The economic impact report found that out-of-state patrons would generate \$69.6 million in new spending in Missouri from tickets and concessions as well as a more than \$36 million on hotels, retail, and other travel expenses.

Another crucial aspect our support of the Entertainment Industry Jobs Act is that it will level the playing field. Similar legislation in other states such as Pennsylvania and Georgia have attracted and supported the entertainment industry and have proven to be a success for driving economic impact. By enacting this bill, Missouri would align itself with these states, making it more competitive and attractive for artists, production companies, and other industry stakeholders and lead us on the road to bring Missouri back as a

force in the music industry.

Furthermore, the tax credit offered by the bill is a risk-free investment in Missouri. This aspect provides a unique advantage for artists, as it encourages them to choose Missouri as a destination for rehearsals, tours, and other creative endeavors. By offering financial incentives, the bill ensures that artists can allocate resources more effectively, supporting their growth and contributing to the economy. The Entertainment Industry Jobs Act aligns Missouri with other states that have implemented similar incentives. It will allow an artist's selection criteria to be driven by Missouri businesses' superior services and facilities rather than competing states superior economic incentives.

The act will boost the economy and enhance Missouri's reputation as a premier destination for producers.