## Forbes



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## Snookered By The Snooki Tax Credit?

With <u>Snooki</u> pervading popular culture, it should be no surprise that some are for and some are against. More broadly, <u>Jersey Shore</u> and its cast of improbable stars are loved and loathed in equal measure. Few can doubt that the Garden State has benefited by the ubiquitous program. That's the <u>situation</u>, and business, after all, is



Image via zeroscape.org

business. Or as <u>another Italian American</u> once said, "It's not personal. It's business."

Whatever your view, it seems clear the show's producers and <u>MTV</u> are benefiting big time. In exchange, the <u>Clam State</u>—another of its names—gave out tax incentives as part of the Snooki-sized package. Yes, New Jersey's Economic Development Authority gave a <u>\$420,000 subsidy</u> to the show for filming there.

Now that episodes have filmed in Miami and Florence, it's not clear Jersey needed the ensemble cast on its home turf. Groups thinking the show stands for the wrong things got miffed, creating a <u>situation</u>. Some wanted the Jersey Shore tax credit <u>vetoed</u> by Governor Chris Christie. He was in a pickle, talking Jersey tough about revocation, making everyone unhappy regardless of which side of the Situation's abs you find yourself. See <u>Snooki to Snookered: States' Film Tax Credits Produce</u> <u>Embarrassment</u>. And now, according to *The Star-Ledger*, Governor Christie made the credit an offer it couldn't refuse. Yup, he's vetoed it <u>here</u>, standing up for all that's right in the Snooki State. (The "Garden State" moniker on license plates always was a puzzler. <u>Garden state?</u> Even the Governor thought it didn't <u>fit</u>.)

Was the Governor's Situation unrelated to his possible Presidential bid? See <u>New Jersey's Christie Entering Presidential Race?</u> Since I'm not sure, I'll have to consult my copy of <u>The Rules According to JWOWW</u>.

This Garden State Film Flap may have created a situation, but film flaps are hardly new to states hoping to entice work and publicity. They face embarrassment when the result isn't exactly <u>Gone With The Wind</u>. Jersey isn't the first state to look silly. The Iowa filmmaker's tax credit was shut down after a <u>scandal</u> over abuses. Hardly a <u>Field of Dreams</u>.

An <u>Lowa judge</u> even sentenced a producer to 10 years over the flimflam film tax credit. Iowa's credits were widely transferred and swapped for cash. See <u>When Too Good Tax Deals Become Fraud</u>. Production costs were padded and unneeded items were financed. See <u>Lowa Film Tax</u> <u>Credit Program Racked By Scandal</u>.

Trading in tax benefits happens at the federal level too. The <u>Justice</u> <u>Department</u> sued to prevent <u>sham cemetery investments</u> with big promised tax benefits. When you're promised \$5 of tax benefits for every \$1 you invest, something besides the bodies must <u>stink</u>.

A good way to cross check tax benefits you suspect are not real—call them tax special effects—is to get your **own** independent tax advice. See <u>Why Tax Opinions Are Valuable</u>. The IRS can be a good source too, including their annual hit list of tax <u>scams</u>. Don't get snookered.

For more, see:

Goofiest Tax Credits, From Snooki To Solyndria

N.J. Gov. Christie vetoes tax credit for 'Jersey Shore'

Sarlo Seeks To Expand Program That Gave 'Jersey Shore' Tax Credit

## Iowa Takes New Look At Films Despite Despite New Jersey Flap

Here's The Situation: Call To Block Jersey Shore Tax Credit

## When Too Good Tax Deals Become Fraud

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