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DIGEST

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SB 103 Engrossed

2015 Regular Session

Morrell

Present law grants a motion picture investor tax credit as a percentage of the "base investment" made and used for "production expenditures" in the state for a "state-certified production". The term "production expenditures" is defined in present law.

Proposed law prohibits expenditures for airfare or expenditures for bond fees, insurance premiums, finance fees, loan interest fees, or payments of a similar nature paid to investors in the production from being considered "production expenditures" unless the expenditures are made to a La. resident licensed insurance producer that has its principal place of business in this state, or to a La. financial institution as defined in R.S. 6:2(8), or a La. Business and Industrial Development Company (BIDCO) defined in and provided for in Chapter 39-B of Title 51 (R.S. 51:2386 et seq.) and which have one or more offices in the state.

Applies to productions with applications received on and after July 1, 2015.

Effective July 1, 2015, if Senate Bill No. 223, as adopted by substitute as Senate Bill No. 284, and House Bill No. 828 of the 2015 R.S. are enacted and become effective.

(Amends R.S. 47:6007(B)(10))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the engrossed bill:

1. Specify that insurance premiums that constitute production expenditures shall be those paid to a La. licensed insurance producer with a principal place of business in La.
2. Add a requirement that bond fees, insurance premiums, finance fees, loan interest fees, or payments of a similar nature paid to investors that constitute production expenditures be allocated on a pro rata basis relative to the percentage of production activity occurring in La.
3. Change effectiveness from January 1, 2016 to July 1, 2015, contingent upon enactment of SB 223, adopted by substitute as SB 284, and HB 828 of the 2015 R.S..