

## RÉSUMÉ DIGEST

Act 143 (SB 103)

2015 Regular Session

Morrell

Prior law granted 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 prior law.

Prior law provided that the term "expenditure" does not include expenditures for marketing and distribution, non-production related overhead, amounts reimbursed by the state or other governmental entity, costs related to the transfer of tax credits, amounts paid as a result of participation in profits from the exploration of the production, the application fee, or state or local taxes.

New law applies to productions with applications received by the office of entertainment industrial development on and after January 1, 2016.

New law also provides that the term "expenditures" does not include 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 unless made to certain insurance producers, financial institutions, or a business and industrial development company regulated by the office of financial institutions.

New law provides for allocation of expenditures on a pro rata basis and allocation of fees as a percentage of production activity in and out of state.

Becomes effective on January 1, 2016, if the commissioner of administration and the legislative auditor provide written notice to the president of the Senate, the speaker of the House of Representatives, and the Louisiana State Law Institute that they have determined that an Act or Acts were enacted in the 2015 Regular Session of the Legislature sufficient to offset any tax increases provided for in the Acts of such Session over a five-year period.

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