

Regular Session, 2013

HOUSE BILL NO. 358

BY REPRESENTATIVE ABRAMSON

TAX CREDITS: Removes the Jan. 1, 2015, sunset date for issuance of sound recording investor tax credits and provides a threshold for Louisiana residents

1 AN ACT

2 To amend and reenact R.S. 47:6023(C)(1), relative to tax credits; to provide relative to the  
3 sound recording investor tax credit; to allow for the continuation of such tax credits  
4 after January 1, 2015; to provide for base investment for resident investors; and to  
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:6023(C)(1) is hereby amended and reenacted to read as follows:

8 §6023. Sound recording investor tax credits

9 \* \* \*

10 C. Investor tax credit; state-certified productions and infrastructure projects.

11 (1) ~~Until January 1, 2015, there~~There is hereby authorized a credit against  
12 the state income tax for investments made in state-certified productions and state-  
13 certified sound recording infrastructure projects. The tax credit shall be earned by  
14 investors at the time expenditures are certified by the Louisiana Department of  
15 Economic Development according to the total base investment certified for the sound  
16 recording production company per calendar year; however, no credit shall be allowed  
17 under this Section for any expenditures for which a credit was granted under R.S.  
18 47:6007. For state-certified productions certified on and after July 1, 2007, and  
19 state-certified infrastructure projects which have applied on or before August 1,  
20 2009, each investor shall be allowed a tax credit of twenty-five percent of the base

1 investment made by that investor in excess of fifteen thousand dollars or, if a  
2 resident of this state, in excess of five thousand dollars.

3 \* \* \*

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Abramson

HB No. 358

**Abstract:** Removes the Jan. 1, 2015, sunset date for issuance of sound recording tax credits and reduces the threshold above which Louisiana residents are entitled to a credit.

Present law provides for the issuance of tax credits, until Jan. 1, 2015, against state income tax for investments made in state-certified productions and state-certified musical recording infrastructure projects. The tax credit shall be earned by investors at the time expenditures are certified by the Dept. of Economic Development according to the total base investment certified for the sound recording production company per calendar year. Present law prohibits a sound recording company from earning a tax credit for which a credit was granted for motion picture tax credits. Present law provides that the sound recording tax credit expires on Jan. 1, 2015. Proposed law retains present law except eliminates the date by which the tax credit is scheduled to expire.

Present law further authorizes a tax credit for 25% of the base investment of an investor made by that investor in excess of \$15,000 for state-certified productions certified on and after July 1, 2007, and state-certified infrastructure projects certified on or before Aug. 1, 2009. Proposed law reduces the threshold to \$5,000 for La. residents.

(Amends R.S. 47:6023(C)(1))