

2015 Regular Session

SENATE BILL NO. 104

BY SENATOR MORRELL AND REPRESENTATIVE TALBOT

TAX/TAXATION. Limits the amount of motion picture investor tax credits which may be awarded on state-certified productions approved during a fiscal year to \$300 million, but rolls over any credits not awarded to future fiscal years. (7/1/15)

1 AN ACT

2 To amend and reenact R.S. 47:6007(C)(1)(d) and to enact R.S. 47:6007(C)(1)(e), relative
3 to motion picture investor tax credits; to limit the amount of motion picture investor
4 tax credits which may be awarded on state-certified productions approved during a
5 fiscal year; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:6007(C)(1)(d) is hereby amended and reenacted and R.S.
8 47:6007(C)(1)(e) is hereby enacted to read as follows:

9 §6007. Motion picture investor tax credit

10 * * *

11 C. Investor tax credit; specific productions and projects.

12 (1) There is hereby authorized a tax credit against state income tax for
13 Louisiana taxpayers for investment in state-certified productions. The tax credit shall
14 be earned by investors at the time expenditures are made by a motion picture
15 production company in a state-certified production. However, credits cannot be
16 applied against a tax or transferred until the expenditures are certified by the office
17 and the secretary. For state-certified productions, expenditures shall be certified no

1 more than twice during the duration of a state-certified production unless the motion
 2 picture production company agrees to reimburse the office for the costs of any
 3 additional certifications. The tax credit shall be calculated as a percentage of the total
 4 base investment dollars certified per project.

5 * * *

6 **(d) For each fiscal year beginning Fiscal Year 2015-2016, the office and**
 7 **secretary shall not approve state-certified productions during the fiscal year**
 8 **which the office and secretary determine will ultimately allow more than a total**
 9 **of three hundred million dollars of tax credits to be claimed against state**
 10 **income tax in the future. If the office and secretary approve state-certified**
 11 **productions during the fiscal year which they determine will ultimately allow**
 12 **less than a total of three hundred million dollars of tax credits to be claimed**
 13 **against state income tax in the future, then the amount not approved in that**
 14 **fiscal year, plus any other amounts not approved from previous fiscal years,**
 15 **shall be added to the three hundred million dollar limit of a subsequent fiscal**
 16 **year until they are allowed for state-certified productions in a fiscal year.**

17 **(e)** Motion picture investor tax credits associated with a state-certified
 18 production shall never exceed the total base investment in that production.

19 Section 2. This Act shall become effective on July 1, 2015; if vetoed by the governor
 20 and subsequently approved by the legislature, this Act shall become effective on July 1,
 21 2015, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

SB 104 Original 2015 Regular Session Morrell

Present law authorizes motion picture investor tax credits of 30% of the base investment made by investors (plus 5% of the payroll of Louisiana residents) any in state-certified productions approved by the office of entertainment industry development in, and the secretary of, the Department of Economic Development.

Proposed law prohibits the office and secretary from approving state-certified productions during a fiscal year (beginning Fiscal Year 2015-2016) which they determine will ultimately allow more than a total of \$300 million of tax credits to be claimed against state income tax in the future. If the office and secretary approve state-certified productions during the fiscal

year which they determine will ultimately allow less than a total of \$300 million of tax credits to be claimed against state income tax in the future, then the amount not approved in that fiscal year, plus any other amounts not approved from previous fiscal years, shall be added to the limit of a subsequent fiscal year until they are allowed.

Effective July 1, 2015.

(Amends R.S. 47:6007(C)(1)(d); adds R.S. 47:6007(C)(1)(e))