

Regular Session, 2009

HOUSE BILL NO. 142

BY REPRESENTATIVE HENRY

TAX CREDITS: Provides relative to the maximum amount of the tax credit for state-certified productions and repeals the phase-down of such tax credits

1 AN ACT

2 To amend and reenact R.S. 47:6007(C)(1)(b)(introductory paragraph) and to repeal R.S.
3 47:6007(C)(1)(c) and (d), relative to motion picture investor tax credits; to provide
4 relative to the tax credit for state-certified productions; to provide relative to the
5 maximum amount of tax credits for state-certified productions; to repeal certain
6 provisions relative to the phase-down of tax credits for state-certified productions;
7 to provide for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:6007(C)(1)(b)(introductory paragraph) is hereby amended and
10 reenacted to read as follows:

11 §6007. Motion picture investor tax credit

12 * * *

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

14 (1)

15 * * *

16 (b) For state-certified productions approved by the office and the secretary
17 on or after January 1, 2006, ~~but before July 1, 2010:~~

18 * * *

19 Section 2. R.S. 47:6007(C)(1)(c) and(d) are hereby repealed in their entirety.

1 Section 3. This Act shall become effective upon signature by the governor or, if not
 2 signed by the governor, upon expiration of the time for bills to become law without signature
 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 5 effective on the day following such approval.

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)]

Henry

HB No. 142

Abstract: Provides that the amount of the tax credit for state-certified productions is 25% and repeals the phase-down of the tax credit.

Present law authorizes a tax credit against state income tax for La. taxpayers for state-certified productions earned by investors at the time expenditures are made by a motion picture production company. The tax credit shall be calculated as a percentage of the total base investment dollars certified per project.

Present law provides for a tax credit of 25% of the base investment made by an investor for state-certified productions approved by the office and the secretary on or after Jan. 1, 2006, but before July 1, 2010, if the total base investment is greater than \$300,000. Provides for an additional tax credit of 10% for payroll for La. residents employed in connection with a state-certified production; however, this additional credit shall exclude any salary for a person that exceeds \$1 million.

Present law provides that the initial certification shall be effective for a period 12 months prior to and 12 months after the date of initial certification, unless the production has commenced, in which case the initial certification shall be valid until the production is completed.

Proposed law changes present law to remove the July 1, 2010, deadline for qualification of the 25% tax credit. Proposed law makes the 25% tax credit permanent for state-certified productions approved by the office and the secretary. Proposed law retains the 10% tax credit for payroll.

Present law provides for a tax credit of 20% of the base investment made by an investor for state-certified productions approved by the office and the secretary on or after July 1, 2010, but before July 1, 2012, if the total base investment is greater than \$300,000. Provides for an additional tax credit of 10% for payroll for La. residents employed in connection with a state-certified production; however, this additional credit shall exclude any salary for a person that exceeds \$1 million.

Proposed law repeals present law.

Present law provides for a tax credit of 15% of the base investment made by an investor for state-certified productions approved by the office and the secretary on or after July 1, 2012, if the base investment is greater than \$300,000. Provides for an additional tax credit of 10% for payroll of La. residents employed in connection with a state-certified production; however, this additional credit shall exclude any salary for a person that exceeds \$1 million.

Proposed law repeals present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:6007(C)(1)(b)(intro. para.); Repeals R.S. 47:6007(C)(1)(c) and (d))