
The original instrument was prepared by Riley Boudreaux. The following digest, which does not constitute a part of the legislative instrument, was prepared by Ann S. Brown.

SB 106 Reengrossed DIGEST Morrell
2015 Regular Session

Present law defines a "motion picture production company" eligible for motion picture investor tax credits.

Proposed law adds to that definition that such a "motion picture production company" shall not include any company owned, affiliated, or controlled, in whole or in part, by:

- (1) Any company or person who has been convicted of a criminal violation related to the tax motion picture investor tax credits.
- (2) Any company or person who was granted, or was required to be granted, tax credits in violation of the provisions of the motion picture investor tax credit law or the administrative interpretation of the law by the office of entertainment industry development in the Department of Economic Development, or that office's predecessors.

Proposed law requires motion picture investor tax credits to be invalidated and the amount recovered by the secretary of the Department of Revenue if:

- (1) The office of entertainment industry development determines that an investor was granted, or was required to be granted, the credits in violation of the provisions of the motion picture investor tax credit law or the administrative interpretation of the law by the office, or that office's predecessors.
- (2) If the office determines that any investor who was granted motion picture investor tax credits has been convicted of a criminal violation related to the tax credits, no further tax credits shall be issued and all tax credits previously issued investor must be invalidated and must be recovered by the secretary of LDR by an action for recovery initiated at any time, and the running of any prescription against such claim is interrupted until the action for recovery is filed by the secretary.

Proposed law requires certain investor shall be assessed for the state income tax period in which the tax credits are invalidated by the amount necessary for the recapture of tax credits and the secretary of LDR must recover such tax credits through any collection remedy authorized by R.S. 47:1561, plus interest and penalties provided for the delinquent payment of taxes.

Proposed law shall not apply to a good faith transferee of tax credits, which transfer has completed the procedure provided in present law.

Proposed law provides that if the office determines that any investor has been charged with a criminal violation related to tax credits, the office shall defer issuance of any credits until conviction or acquittal of such charges.

Proposed law clarifies that "investor" shall mean any investor, applicant production company, or any individual with an ownership interest of five percent or more in an applicant production company.

Provides that the provisions of the proposed law are retroactive and specifies that its provisions are severable.

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

(Amends R.S. 47:6007(B)(6); adds R.S. 47:6007(G))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Removes the provision that states that a motion picture production company shall not include any company owned, affiliated, or controlled, in whole or in part, by any company or person who has only been charged with a criminal violation of the tax motion picture investor tax credits.
2. Provides that no further tax credits shall be issued and all previously issued tax credits shall be invalidated and recovered by LDR's secretary when the office determines that an investor who was granted motion picture tax credits has been convicted of a criminal violation related to the tax credits.
3. Provides a definition of "investor".
4. Provides that the provision of proposed law shall not apply to a good faith transferee of tax credits when the transfer has been completed in accordance to present law.
5. Requires the office to defer issuance of any tax credits until conviction or acquittal of such charges when the office has determined that an investor has been charged with a criminal violation related to tax credits.
6. Technical amendments.