

2015 Regular Session

HOUSE BILL NO. 276

BY REPRESENTATIVE HARRIS

TAX CREDITS: Limits the amount of motion picture investor tax credit applications certified by the office and paid by the state each year

1 AN ACT

2 To amend and reenact R.S. 47:6007(C)(1) and to enact R.S. 47:6007(C)(1)(e), relative to  
3 income tax credits; to provide with respect to the motion picture investor tax credit;  
4 to provide for the certification of credits; to provide for the payment of tax credits  
5 by the state; to provide for certain limitations; to provide for an effective date; and  
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6007(C)(1) is hereby amended and reenacted and R.S.  
9 47:6007(C)(1)(e) is hereby enacted to read as follows:

10 §6007. Motion picture investor tax credit

11 \* \* \*

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

13 (1) There is hereby authorized a tax credit against state income tax for  
14 Louisiana taxpayers for investment in state-certified productions. The tax credit  
15 shall be earned by investors at the time expenditures are made by a motion picture  
16 production company in a state-certified production. However, credits cannot be  
17 applied against a tax or transferred until the expenditures are certified by the office  
18 and the secretary. Beginning January 1, 2015, regardless of the number of tax credit  
19 applications submitted by applicants, the office and the secretary, shall not certify  
20 more than fifty million dollars in tax credit applications during the 2015 calendar

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.



1 Section 2. This Act shall become effective on July 1, 2015; if vetoed by the governor  
2 and subsequently approved by the legislature, this Act shall become effective on July 1,  
3 2015, or on the day following such approval by the legislature, whichever is later.

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## 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)]

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HB 276 Original

2015 Regular Session

Harris

**Abstract:** Limits the amount of tax credits the office and the secretary can certify each calendar year beginning in 2015 and limits the amount of credits the state will pay each year beginning in 2015.

Present law provides for an income tax credit for La. taxpayers for investment in state-certified productions earned at the time expenditures are made by a motion picture production company in a state-certified production. The amount of the credit shall be equal to 30% of the base investment made by the investor if the total base investment is more than \$300,000. Additionally provides for a credit equal to 5% of base investment expended on payroll for La. residents employed in connection with a state-certified production. However, this credit does not apply to the payroll of any one person that exceeds \$1 million dollars.

Proposed law retains present law but adds a limitation on the amount of tax credits certified each calendar year by the office and the secretary regardless of the number of tax credit applications submitted by applicants. In 2015, the office shall not certify more than \$50 million in tax credits, during calendar years 2016 and 2017, the office shall not certify more than \$30 million in tax credits in each calendar year, and in calendar year 2018, the office shall not certify more than \$15 million in tax credits. Prohibits the certification of tax credits beginning in calendar year 2019.

Proposed law requires credits to be certified annually on a first-come, first-served basis. If the total amount of credits applied for in any particular year exceeds the aggregate amount of credits allowed for that year, the excess shall be treated as having been applied for on the first day of the subsequent year.

Proposed law adds an annual cap of tax credits the state will pay to all investors. In 2015, the cap is set at \$120 million, in 2016 and 2017, the cap is set at \$60 million per year, and beginning in 2018, the cap is set at \$30 million.

Effective July 1, 2015.

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