

2015 Regular Session

HOUSE BILL NO. 832

BY REPRESENTATIVE TIM BURNS

TAX CREDITS: Authorizes an additional 5% tax credit in the motion picture investor tax credit program for investors headquartered in La. for a certain period of time

1 AN ACT

2 To amend and reenact R.S. 47:6007(B)(4) and to enact R.S. 47:6007(C)(1)(c)(iii), relative
3 to tax credits; to provide with respect to the motion picture investor tax credit; to
4 provide for definitions; to authorize an additional credit for investors headquartered
5 in the state for a certain period of time; to provide for applicability; to provide for
6 effectiveness; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6007(B)(4) is hereby amended and reenacted and R.S.
9 47:6007(C)(1)(c)(iii) is hereby enacted to read as follows:

10 §6007. Motion picture investor tax credit

11 * * *

12 B. Definitions. For the purposes of this Section:

13 * * *

14 (4) "Headquartered in Louisiana" means a corporation incorporated in
15 Louisiana or a partnership, limited liability company, or other business entity
16 domiciled and headquartered in Louisiana for the purpose of financing or producing
17 nationally or internationally distributed motion pictures as defined in this Section.

18 * * *

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

2 (1) There is hereby authorized a tax credit against state income tax for
3 Louisiana taxpayers for investment in state-certified productions. The tax credit
4 shall be earned by investors at the time expenditures are made by a motion picture
5 production company in a state-certified production. However, credits cannot be
6 applied against a tax or transferred until the expenditures are certified by the office
7 and the secretary. For state-certified productions, expenditures shall be certified no
8 more than twice during the duration of a state-certified production unless the motion
9 picture production company agrees to reimburse the office for the costs of any
10 additional certifications. The tax credit shall be calculated as a percentage of the
11 total base investment dollars certified per project.

12 * * *

13 (c) For state-certified productions approved by the office and the secretary
14 on or after July 1, 2009:

15 * * *

16 (iii) To the extent that base investment is made by an investor that has been
17 headquartered in Louisiana for more than twelve months, each investor shall be
18 allowed an additional tax credit of five percent of the base investment made by that
19 investor.

20 * * *

21 Section 2. The provisions of this Act are applicable to state-certified productions
22 receiving initial certification on or after July 1, 2015.

23 Section 3. This Act shall become effective on July 1, 2015; if vetoed by the governor
24 and subsequently approved by the legislature, this Act shall become effective on July 1,
25 2015, or on the day following such approval by the legislature, whichever is later.

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)]

HB 832 Original

2015 Regular Session

Tim Burns

Abstract: Adds an additional 5% tax credit in the motion picture investor tax credit program for an investor who has been domiciled in La. for more than 12 months.

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 is 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.

Proposed law retains present law and adds "financing" as a purpose for which a La. partnership, limited liability company, or other business entity would be considered to be "headquartered in Louisiana" for purposes of the credit.

Proposed law authorizes an additional tax credit of 5% of the base investment of an investor headquartered in La. for more than 12 months.

Applicable to productions receiving initial certification on or after July 1, 2015.

(Amends R.S. 47:6007(B)(4); Adds R.S. 47:6007(C)(1)(c)(iii))