
DIGEST

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HB 276 Engrossed

2015 Regular Session

Harris

Abstract: Caps the annual amount of tax credits the office and the secretary may certify each calendar year at \$200 million 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.

Proposed law retains present law but limits, beginning Jan. 1, 2015, the aggregate amount of tax credits that may be certified by the office to \$200 million per calendar year. All applications receiving final certification on the same business day shall be treated as receiving final certification at the same time and if the aggregate amount of applications on a single business day exceed the total allotment of tax credits for that year, all tax credits received on that day shall be approved on a pro rata basis. Any taxpayer who received a pro rata reduction to a tax credit shall be given first priority for receiving the balance of his tax credit from the tax credit allotment for the subsequent year.

Proposed law requires applications receiving final certification after the total tax credit allotment for that year is exhausted to be treated as having received final certification on the first day of the subsequent year. Any claim or request for tax credits shall be filed electronically.

Effective July 1, 2015.

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Change the annual limitation on the amount of tax credits certified each calendar year by the office and the secretary to an annual cap of \$200 million per calendar year.
2. Add provisions regarding the administration of paying tax credits when the annual tax

credit allotment is exhausted giving preference to taxpayers who received a pro rata reduction in the amount of their tax credit.

3. Require claims or requests for tax credits to be filed electronically.
4. Delete the annual cap in proposed law of tax credits the state will pay to all investors per calendar year.