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## DIGEST

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HB 562 Original

2023 Regular Session

Schexnayder

**Abstract:** Provides relative to the Motion Picture Production Tax Credit.

Present law provides for La. promotional graphics and requires productions to acknowledge the financial assistance of the state, either through the inclusion of a La. promotional graphic or an alternative marketing option approved by the office of entertainment.

Proposed law provides for specific requirements of the La. promotional graphic and removes the alternative marketing option for productions submitting an application on or after July 1, 2023.

Present law provides for the allocation of monies from the La. Entertainment Development Dedicated Fund Account.

Proposed law makes changes to the allowable uses of monies received by the Dept. of Economic Development.

Present law requires the Dept. of Economic Development to engage an independent certified public accountant to prepare a production expenditure verification report on a tax credit applicant's cost report of expenditures or claims. Present law further requires the applicant to make all records available to the CPA.

Proposed law requires the records to include a listing of all La. expenditures detailing the date of the expenditure, the vendor's address including the zip code, and the amount of the expenditure for applications received on or after July 1, 2023.

Present law requires the Dept. of Economic Development to submit an initial certification or written denial of a project as a state certified production to investors and the secretary of the La. Dept. of Revenue within 60 days of receipt of required information.

Present law further provides that the initial certification shall include a primary allocation of tax credits by year. Proposed law repeals present law.

Present law provides for a program issuance cap of \$150 million per fiscal year for all tax credits granted in a final certification letter by the Dept. of Economic Development for applications submitted on or after July 1, 2017.

Present law further provides for a taxpayer claim cap of \$180 million per fiscal year on claims

against state income tax allowed by the La. Dept. of Revenue.

Proposed law retains the taxpayer claim cap in present law and removes the issuance cap for applications submitted on or after July 1, 2023.

Present law provides that no motion picture production tax credits shall be allowed for applications received on or after July 1, 2025. Proposed law repeals present law.

(Amends R.S. 47:6007(B)(11), (C)(1)(a)(iv) and (4)(h)(iii)(bb), (D)(2)(c)(i) and (d)(i), and (J)(1); Repeals R.S. 47:6007(I))