

SENATE BILL NO. 232

BY SENATOR BASS AND REPRESENTATIVES ADAMS, BAYHAM, CARLSON,  
CHASSION, CHENEVERT, FISHER, JACKSON, KNOX,  
LARVADAIN, MENA AND WALTERS

AN ACT

To amend and reenact R.S. 47:6007(B)(11) and (18), the introductory paragraph of (C)(1)(a), the introductory paragraph of (C)(1)(b), (J)(3) and (4), and to enact R.S. 47:6007(C)(1)(d), relative to the motion picture production tax credit program; to rename the office of entertainment industry development for purposes of the program; to provide relative to definitions; to authorize a credit in accordance with program rules for projects meeting certain requirements; to provide relative to applications; to provide for rule promulgation; to provide relative to maximum credit amounts; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:6007(B)(11) and (18), the introductory paragraph of (C)(1)(a), the introductory paragraph of (C)(1)(b), and (J)(3) and (4) are hereby amended and reenacted and R.S. 6007(C)(1)(d) is hereby enacted to read as follows:

§6007. Motion picture production tax credit

\* \* \*

B. Definitions. For the purposes of this Section:

\* \* \*

(11) "Louisiana promotional graphic" means a graphical brand or logo for promotion of the state which has been approved by the office **in accordance with program rules.** ~~for a production and consists of the following:~~

~~(a) Either of the following:~~

~~(i) Up to a five-second long static or animated graphic that promotes~~

1 Louisiana in the end credits before the below-the-line crew crawl for the life of the  
2 production.

3 (ii) Up to a five-second long static or animated embedded graphic that  
4 promotes Louisiana during each broadcast worldwide, in the end credits before the  
5 below-the-line crew crawl for the life of the production.

6 (b) An electronic press kit or a customized video for use by the office or an  
7 alternative asset as determined by the office.

8 \* \* \*

9 (18) "Office" means the Governor's Office of Film and Television  
10 Development until August 15, 2006; thereafter, the term "office" means the office  
11 of entertainment industry development in Louisiana Economic Development  
12 provided for in R.S. 51:938.1 **until July 1, 2025, and thereafter means the office**  
13 **of economic development in Louisiana Economic Development.**

14 \* \* \*

15 C. Production tax credit; specific productions and projects.

16 (1) \* \* \*

17 (a) Project-based production tax credit. For applications for state-certified  
18 productions on or after July 1, 2017, **and before July 1, 2025:**

19 \* \* \*

20 (b) Company-based QEC payroll tax credit for Qualified Entertainment  
21 Companies approved by the office and the secretary on or after July 1, 2017, **and**  
22 **before July 1, 2025.** To the extent that base investment is expended on payroll for  
23 Louisiana residents in connection with a QEC, tax credits shall be earned at the  
24 following rates:

25 \* \* \*

26 **(d) For applications for state-certified productions or Qualified**  
27 **Entertainment Companies approved by the office and the secretary on or after**  
28 **July 1, 2025, there is hereby authorized a tax credit of up to forty percent for**  
29 **approved projects, in accordance with program rules, and pursuant to the**  
30 **program issuance cap provisions in Subparagraph (J)(1)(d) of this Section.**

**(i) It is the intent of the Louisiana Legislature that the benefits provided in this Section should be used primarily to support the state's commitment to the motion picture production industry.**

**(ii) Louisiana Economic Development shall consider various discretionary factors when determining which applications will be approved, including but not limited to the estimated economic impact, the disbursement of funding statewide, the availability of funding and the best interest of the state.**

(iii) Louisiana Economic Development shall promulgate rules for the administration of the program in accordance with the Administrative Procedure Act; however, prior to such rules taking effect, all rules shall be approved by the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs. In order to expedite implementation of the provisions of this Subparagraph, Louisiana Economic Development shall utilize emergency rulemaking for the promulgation of the initial administrative rules.

\* \* \*

### J. Credit caps, structured pay outs, and project size limitations.

\* \* \*

(3) Louisiana Economic Development individual project issuance cap.

(a) Project-based production tax credit. For applications for state-certified productions on or after July 1, 2017, **and before July 1, 2025**, the maximum amount of credits that may be granted for a single state-certified production shall not exceed twenty million dollars, except for state-certified productions for scripted episodic content that may be granted up to twenty-five million dollars per season.

(b) Company-based QEC payroll tax credit. For applications for qualified entertainment company contracts on or after July 1, 2017, **and before July 1, 2025**, the maximum amount of credits that may be granted for a single company shall not exceed one million dollars per year.

(4) Louisiana Economic Development individual payroll cap.

1 (a) Project-based production tax credit. For applications for state-certified  
 2 productions on or after July 1, 2017, **and before July 1, 2025**, the maximum amount  
 3 of qualifying payroll expenditures made for the services rendered by an individual,  
 4 whether directly to an individual, or indirectly through a loan out company, shall be  
 5 three million dollars per person and no tax credits shall be earned for payroll  
 6 expenditures in excess of three million dollars per person.

7 (b) Company-based QEC payroll tax credit. For applications for qualified  
 8 entertainment company contracts on or after July 1, 2017, **and before July 1, 2025**,  
 9 the maximum amount of qualifying QEC payroll expenditures shall be two hundred  
 10 thousand dollars per person, for each employee as reported on a Form W-2, and no  
 11 tax credits shall be earned for payroll expenditures in excess of two hundred  
 12 thousand dollars per person.

13 \* \* \*

14 Section 2. This Act shall become effective on July 1, 2025; if vetoed by the governor  
 15 and subsequently approved by the legislature, this Act shall become effective on the day  
 16 following such approval by the legislature or July 1, 2025, whichever is later.

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 PRESIDENT OF THE SENATE

\_\_\_\_\_  
 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_