SLS 15RS-60

ENGROSSED

2015 Regular Session

SENATE BILL NO. 102

BY SENATOR MORRELL AND REPRESENTATIVE TALBOT

TAX/TAXATION. Limits expenditures for ATL services eligible for motion picture investor tax credits to 50% of total production expenditures in the state. (1/1/16)

1	AN ACT
2	To amend and reenact R.S. 47:6007(B)(10) and to enact R.S. 47:6007(B)(17), relative to
3	motion picture investor tax credits; to limit certification for credits if certain
4	expenditures exceed a certain percentage of production expenditures; and to provide
5	for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 47:6007(B)(10) is hereby amended and reenacted and R.S.
8	47:6007(B)(17) is hereby enacted to read as follows:
9	§6007. Motion picture investor tax credit
10	* * *
11	B. Definitions. For the purposes of this Section:
12	* * *
13	(10)(a) "Production expenditures" means preproduction, production, and
14	postproduction expenditures in this state directly relating to a state-certified
15	production, including without limitation the following: set construction and
16	operation; wardrobes, makeup, accessories, and related services; costs associated
17	with photography and sound synchronization, lighting, and related services and

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	materials; editing and related services; rental of facilities and equipment; leasing of
2	vehicles; costs of food and lodging; digital or tape editing, film processing, transfer
3	of film to tape or digital format, sound mixing, special and visual effects; and
4	payroll.
5	(b) This The term "production expenditures" shall not include
6	expenditures for <u>the following:</u>
7	(i) Marketing and distribution, non-production related overhead, amounts
8	reimbursed by the state or any other governmental entity, costs related to the transfer
9	of tax credits, amounts that are paid to persons or entities as a result of their
10	participation in profits from the exploitation of the production, the application fee,
11	or state or local taxes.
12	(ii) Expenditures for Above the Line (ATL) services for the production
13	that exceed fifty percent of total production expenditures in the state for the
14	production.
15	* * *
16	(17) "Above the Line (ATL) services" means services such as those of a
17	producer, executive producer, line producer, coproducer, assistant producer,
18	actor, director, casting director, screenwriter, and other services of job positions
19	that are associated with the creative or financial control of a production and
20	customarily considered as Above the Line services in the film and television
21	industry.
22	* * *
23	Section 2. The provisions of this Act shall apply to productions certified on and after
24	January 1, 2016.
25	Section 3. This Act shall become effective on January 1, 2016.

SB 102 Engrossed

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST 2015 Regular Session

Morrell

<u>Present law</u> allows a motion picture investor tax credit for a percentage of "production expenditures" by a movie production in the state.

<u>Proposed law</u> provides that the term "production expenditures" shall not include expenditures for "Above the Line" (ATL) services for the production that exceed 50% of total production expenditures in the state for the production.

"Above the Line (ATL) services" is defined as services such as those of a producer, executive producer, line producer, coproducer, assistant producer, actor, director, casting director, screenwriter, and other services of job positions that are associated with the creative or financial control of a production and customarily considered as above the line services in the film and television industry.

Effective January 1, 2016.

(Amends R.S. 47:6007(B)(10); adds R.S. 47:6007(B)(17))

Summary of Amendments Adopted by Senate

- Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill
- 1. Changes the <u>proposed law from</u> a prohibition on any tax credits if ATL services exceed 50% of production expenditures to a limitation on granting tax credits for expenditures for ATL services which exceed 50% of total production expenditures.