SLS 15RS-60

ORIGINAL

2015 Regular Session

SENATE BILL NO. 102

BY SENATOR MORRELL AND REPRESENTATIVE TALBOT

TAX/TAXATION. Prohibits certification for motion picture investor tax credits if expenditures for ATL services exceed 50% of total production expenditures. (1/1/16)

1	AN ACT
2	To enact R.S. 47:6007(B)(17) and (C)(1)(c)(iii), relative to motion picture investor tax
3	credits; to prohibit certification for credits if certain expenditures exceed a certain
4	percentage of production expenditures; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 47:6007(B)(17) and (C)(1)(c)(iii) are hereby enacted to read as
7	follows:
8	§6007. Motion picture investor tax credit
9	* * *
10	B. Definitions. For the purposes of this Section:
11	* * *
12	(17) "Above the Line (ATL) services" means services such as those of a
13	producer, executive producer, line producer, coproducer, assistant producer,
14	actor, director, casting director, screenwriter, and other services of job positions
15	that are associated with the creative or financial control of a production and
16	customarily considered as Above the Line services in the film and television
17	industry.

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

1	* * *
2	C. Investor tax credit; specific productions and projects.
3	(1) There is hereby authorized a tax credit against state income tax for
4	Louisiana taxpayers for investment in state-certified productions. The tax credit shall
5	be earned by investors at the time expenditures are made by a motion picture
6	production company in a state-certified production. However, credits cannot be
7	applied against a tax or transferred until the expenditures are certified by the office
8	and the secretary. For state-certified productions, expenditures shall be certified no
9	more than twice during the duration of a state-certified production unless the motion
10	picture production company agrees to reimburse the office for the costs of any
11	additional certifications. The tax credit shall be calculated as a percentage of the total
12	base investment dollars certified per project.
13	* * *
14	(c) For state-certified productions approved by the office and the secretary
15	on or after July 1, 2009:
16	* * *
17	(iii) With regards to any productions submitted to the office and the
18	secretary for approval, or approved on or after January 1, 2016, no production
19	shall be certified as a state-certified production, and no tax credit shall be
20	earned or certified for any production expenditures, if the office and the
21	secretary determine that the expenditures for Above the Line (ATL) services for
22	the production will exceed, or has exceeded, fifty percent of total production
23	expenditures in the state for the production.
24	Section 2. The provisions of this Act shall apply to productions certified on and after
25	January 1, 2016.
26	Section 3. This Act shall become effective on January 1, 2016.

Page 2 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions. The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

SB 102 Original

DIGEST 2015 Regular Session

Morrell

<u>Proposed law</u> prohibits the certification of a production for motion picture investor tax credits as a "state-certified production" on or after January 1, 2016, and prohibits tax credits to be earned or certified for any "production expenditures" of such production, if the office of entertainment industry development in the Department of Economic Development and the secretary of LED determine that the expenditures for "Above the Line (ATL) services" for the production will exceed, or has exceeded, 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.

(Adds R.S. 47:6007(B)(17) and (C)(1)(c)(iii))