

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 640** HLS 17RS 8

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 23, 2017 2:41 PM	Author: STOKES
Dept./Agy.: Economic Development	Analyst: Greg Albrecht
Subject: Motion Picture Production Tax Credit	

TAX CREDITS OR NO IMPACT See Note Page 1 of 1
Provides for when a motion picture production tax credit is earned by a motion picture production company

Present law states that motion picture production tax credits are earned at the time expenditures are certified by the Dept. of Economic Development.

Proposed law states that the credits are earned at the time the expenditures are made.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

According to the Dept. of Economic Development, the bill reverts the statute back to the language that existed prior to the numerous changes made in 2015. This change back is not expected to affect the costs of the program because credits can not be utilized (transferred or claimed) until expenditures are certified by the Dept. The Dept. does not certify any expenditures until they are verified by audit. Thus, the bill appears to have no revenue effect as the program is currently structured and administered.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

John D. Carpenter
Legislative Fiscal Officer