

2017 Regular Session

SENATE BILL NO. 177

BY SENATOR MORRELL

TAX/TAXATION. Provides relative to the Motion Picture Tax Credit Program for the withholding of income tax for performance of services on a state-certified production. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 47:164(D)(2)(b), to provide for employee compensation eligible
3 as a production expense for purposes of the tax credit; to provide for applicable rates
4 of withholding tax; to provide for an effective date; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:164(D)(2)(b) is hereby amended and reenacted to read as follows:

8 §164. Information at source

9 * * *

10 D. Withholding of tax at source.

11 * * *

12 (2) * * *

13 (b) Any motion picture production company, motion picture payroll services
14 company, or other entity making or causing to be made payments as provided in
15 Subparagraph (a) of this Paragraph, to an individual, or to an agent or agency, loan-
16 out company, personal service company, employee leasing company, or other entity
17 is considered to be paying compensation taxable by the state of Louisiana. For

1 purposes of eligibility as a production expenditure, the company or other entity shall
 2 withhold taxes from those payments at the ~~highest individual rate of six percent, rate~~
 3 **specified on an employee's withholding allowance certificate** or the highest
 4 individual rate in effect at the time and remit these payments to the department
 5 quarterly, excluding any amount that would otherwise not be subject to the
 6 withholding requirements imposed pursuant to state and federal law and regulations.

7 * * *

8 Section 2. This Act shall become effective upon signature by the governor or, if not
 9 signed by the governor, upon expiration of the time for bills to become law without signature
 10 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 11 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 12 effective on the day following such approval.

The original instrument was prepared by Leonore F. Heavey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Linda Nugent.

DIGEST

SB 177 Reengrossed

2017 Regular Session

Morrell

Present law requires that in order to be considered an eligible production expense for the Motion Picture Investor Tax Credit that entities paying compensation for personal services shall remit withholding tax at the rate of six percent or at the highest individual income tax rate in effect.

Proposed law retains present law but changes the withholding rates to the rate specified on the employee's withholding allowance certificate or the highest individual income tax rate in effect.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 47:164(D)(2)(b))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Legislative Bureau technical amendment.