

2015 Regular Session

HOUSE BILL NO. 569

BY REPRESENTATIVE THIERRY

TAX CREDITS: Limits transferability of motion picture investor tax credits

1 AN ACT

2 To enact R.S. 47:6007(C)(8), relative to income tax credits; to provide relative to the motion
3 picture investor tax credit; to provide for the transfer of credits; to provide for certain
4 limitations; to provide for applicability; to provide for an effective date; and to
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:6007(C)(8) is hereby enacted to read as follows:

8 §6007. Motion picture investor tax credit

9 * * *

10 C. Investor tax credit; specific productions and projects.

11 * * *

12 (4) Transferability of the credit. Any motion picture tax credits not
13 previously claimed by any taxpayer against its income tax may be transferred or sold
14 to another Louisiana taxpayer or to the office, subject to the following conditions:

15 * * *

16 (8) All applications submitted to the office on or after January 1, 2016, and
17 subsequently approved by the office and the secretary, may be transferred on a one-
18 time basis to another Louisiana taxpayer in accordance with the procedures and
19 requirements of Paragraph (4) of this Subsection or may be transferred to the office
20 pursuant to Subparagraph (f) of Paragraph (4) of this Subsection.

21 * * *

1 Section 2. The provisions of this Act shall be applicable to applications submitted
2 to the office on or after January 1, 2016, and subsequently approved by the office and the
3 secretary.

4 Section 3. This Act shall become effective upon signature by the governor or, if not
5 signed by the governor, upon expiration of the time for bills to become law without signature
6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
7 vetoed by the governor and subsequently approved by the legislature, this Act shall become
8 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 569 Original

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Thierry

Abstract: Limits transferability of the motion investor tax credit to a one-time transfer

Present law provides for an income tax credit for La. taxpayers for investment in state-certified productions earned at the time expenditures are made by a motion picture production company in a state-certified production. The amount of the credit shall be equal to 30% of the base investment made by the investor if the total base investment is more than \$300,000. Additionally provides for a credit equal to 5% of base investment expended on payroll for La. residents employed in connection with a state-certified production. However, this credit does not apply to the payroll of any one person that exceeds \$1 million.

Present law authorizes the transfer or selling of a tax credit not previously claimed by any taxpayer against income tax liability. Present law sets forth requirements and restrictions regarding the selling or transfer of tax credits including notification to the Dept. of Revenue of the transfer or sale. The transfer or sale of this credit does not extend the time in which the credit can be used and the carryforward period of a credit transferred or sold begins on the date the credit was earned.

Proposed law limits the transferability of tax credits awarded pursuant to applications submitted to the office on or after Jan. 1, 2016, to a one-time transfer to another La. taxpayer or to the office.

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

(Adds R.S. 47:6007(C)(8))