
DIGEST

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HB 704 Engrossed

2015 Regular Session

Thierry

Abstract: Beginning Jan. 1, 2016, establishes an annual \$150 million program cap on the amount of motion picture investor tax credits certified by the office.

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 whose salary exceeds \$1 million dollars.

Proposed law retains present law but limits the program to an annual \$150 million cap in tax credits that may be certified each year. Credits shall be granted on a first-come, first-served basis. If the total amount of credits applied for in any particular year exceeds the aggregate amount of credits allowed for that year, the excess shall be treated as having been applied for on the first day of the subsequent year.

Proposed law requires the secretary to promulgate rules and regulations for administration of the annual cap in accordance with the procedures of the Administrative Procedures Act, subject to oversight by the House Ways and Means Committee and the Senate Revenue and Fiscal Affairs Committee.

Effective Jan. 1, 2016.

(Adds R.S. 47:6007(C)(1)(e))