

**LEGISLATIVE FISCAL OFFICE**  
Fiscal Note



Fiscal Note On: **HCR 54** HLS 16RS 2216

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 4, 2016	11:26 AM	<b>Author:</b> STOKES
<b>Dept./Agy.:</b> Revenue / Economic Development		<b>Analyst:</b> Greg Albrecht
<b>Subject:</b> Clarifies Meaning of Person Who Sells or Brokers Credits		

REVENUE DEPARTMENT

EG NO IMPACT See Note

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Provides for the legislative intent of Act No. 451 of the 2015 Regular Session

Act 451 of the 2015 Regular Session prohibited any person not qualified by the Department of Revenue and registered with the Public Registry of Motion Picture Investor Tax Credit Brokers from selling or brokering film tax credits.

This resolution clarifies that the persons affected by Act 451 are those who facilitate the sale of tax credits for a consideration, and does not apply to tax return preparers or their employees or partners who facilitate the sale of credits for the benefit of their client.

<b>EXPENDITURES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
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Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. The clarification of the resolution seems consistent with the common understanding of the meaning of a broker of tax credits, presuming the tax preparer/employee/partner is facilitating sales of credits for clients without consideration to themselves.

Senate      Dual Referral Rules      House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**John D. Carpenter**  
Legislative Fiscal Officer