

2021 Regular Session

HOUSE BILL NO. 527

BY REPRESENTATIVE CREWS

TAX CREDITS: Expands eligibility for the digital interactive media and software tax credit to include information technology services

1 AN ACT

2 To amend and reenact R.S. 47:6022(C)(5)(a) and (13) and to enact R.S. 47:6022(B)(2)(d)
3 and (C)(5)(b)(vii), relative to the digital interactive media and software tax credit;
4 to expand the long-term objectives of the tax credit; to expand eligibility for the tax
5 credit to include certain information technology services; to provide for definitions;
6 to provide for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:6022(C)(5)(a) and (13) are hereby amended and reenacted and
9 R.S. 47:6022(B)(2)(d) and (C)(5)(b)(vii) are hereby enacted to read as follows:

10 §6022. Digital interactive media and software tax credit

11 * * *

12 B. Purpose. The primary objective of this Section is to encourage
13 development in Louisiana of a strong capital base for the production of digital
14 interactive media products and platforms in order to achieve a more independent,
15 self-supporting industry. This objective is divided into immediate and long-term
16 objectives as follows:

17 * * *

18 (2) Long-term objectives are to:

19 * * *

1 (b) Some examples of digital interactive media are:

2 * * *

3 (vii) Computer-based information systems.

4 * * *

5 (13) "State-certified production" shall mean a digital interactive media
6 production or a component part thereof, including information technology services
7 used for computer-based information systems, approved by the office.

8 * * *

9 Section 2. This Act shall become effective upon signature by the governor or, if not
10 signed by the governor, upon expiration of the time for bills to become law without signature
11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
13 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 527 Original

2021 Regular Session

Crews

Abstract: Expands eligibility for the digital interactive media income tax credit to include information technology services used in the design and development of computer-based information systems.

Present law authorizes a digital interactive media income tax credit for state-certified productions submitted to the office of entertainment industry development on or after July 1, 2017, and subsequently approved by the office equal to 18% of the base investment. Further provides for an additional 7% tax credit to the extent that the base investment is expended on payroll for La. residents employed in connection with a state-certified production. Tax credits are earned by a company at the time funds are expended in La. on a state-certified production.

Present law provides for the immediate objectives and long-term objectives of the tax credit which includes the development of a strong capital base for production of digital media products and platforms in La.

Proposed law retains present law but adds as a long-term objective the promotion of the development and configuration of software requiring individual complex configurations to support enterprise resource planning.

Present law defines "digital interactive media" as products or platforms that are intended for commercial production, use, or distribution that contain at least two of the following types

of data: text, sound, fixed images, animated images, video, or 3D geometry, and that have certain specified characteristics.

Proposed law retains present law but expands the definition of "digital interactive media" to include information technology services used in the design, development, application, implementation, support, and management of computer-based information systems.

Present law defines a "state-certified production" as a digital interactive media production or a component part thereof.

Proposed law retains present law but expands the definition of "state-certified production" to include information technology services used for computer-based information systems.

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

(Amends R.S. 47:6022(C)(5)(a) and (13); Adds R.S. 47:6022(B)(2)(d) and (C)(5)(b)(vii))