
DIGEST

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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))