

---

## 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 341 Original

2025 Regular Session

McCormick

**Abstract:** Reduces the state individual income tax rate from 3% to 2.75% and terminates the motion picture production tax credit on July 1, 2025.

Present law provides that the tax to be assessed, levied, collected, and paid on the taxable income of individuals shall be computed at the rate of 3% on net income.

Proposed law changes present law by reducing the rate of tax levied on the income of individuals from 3% to 2.75%.

Present law authorizes the following tax credits for state-certified productions within the motion picture production income tax credit program:

- (1) A 25% tax credit if the base investment is in excess of \$300,000 or if the production is a La. screenplay production.
- (2) An additional 5% base investment credit for projects filmed outside the New Orleans Metro Zone, but not including St. John the Baptist Parish.
- (3) An additional 10% base investment credit for certain expenditures equal to or greater than \$50,000 but less than \$5 million for projects meeting certain La. screenplay criteria.
- (4) A 15% credit for La. resident payroll expenditures.
- (5) A 5% credit for certain La.-based visual effects expenditures meeting certain requirements.

Present law also provides for a tax credit for Qualified Entertainment Companies (QEC) to the extent that base investment is expended on payroll for La. residents. QEC tax credits shall be earned at the following rates:

- (1) Tier 1 payroll credit equal to 15% for each new job whose QEC payroll is equal to or greater than \$45,000 per year, up to \$66,000 per year.
- (2) Tier 2 payroll credit equal to 20% for each new job whose QEC payroll is equal to or greater than \$66,000 per year, but no greater than \$200,000 per year.

Proposed law limits the acceptance of applications for the credits authorized in present law to July 1, 2025.

Present law prohibits credits from being allowed for applications received on or after July 1, 2031.

Proposed law changes present law by changing the date applications are prohibited from being accepted from July 1, 2031, to July 1, 2025.

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

(Amends R.S. 47:32(A) and 6007(C)(1)(a)(intro. para.) and (b)(intro. para.) and (I))