

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 693** HLS 13RS 1455

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 10, 2013	4:42 PM	Author: LEGER
Dept./Agy.: Revenue		Analyst: Greg Albrecht
Subject: Motion Picture Credits		

TAX CREDITS OR NO IMPACT See Note Page 1 of 1
 Authorizes the use of motion picture investor tax credits against corporation franchise and severance taxes

Current law allows motion picture tax credits to be claimed against personal and corporate income tax liabilities.

Proposed law allows those tax credits to also be claimed against corporate franchise tax and severance tax liabilities.

Effective for tax years beginning on or after January 1, 2014.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

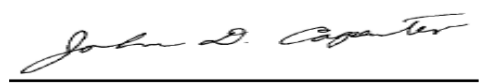
EXPENDITURE EXPLANATION

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. Motion picture credits are already transferable among taxpayers with income tax liabilities, and can be redeemed directly from the state (the mechanism that appears to be on track to liquidate 80% - 90% if not more of all credits issued). It does not seem likely that adding two additional tax liabilities against which the credits can be claimed (after being transferred to franchise tax and/or severance tax taxpayers) will materially increase the realizations of credits against the state fisc.

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|---|----------------------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | <input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |


John D. Carpenter
Legislative Fiscal Officer