HLS 15RS-1549 ORIGINAL

AN ACT

2015 Regular Session

HOUSE BILL NO. 798

1

BY REPRESENTATIVE PONTI

TAX CREDITS: Relative to the motion picture investor tax credit

2	To amend and reenact R.S. 47:6007(C)(1)(c)(introductory paragraph) and (d) to enact R.S.
3	47:6007(C)(1)(e), relative to tax credits; to provide for the motion picture investor
4	tax credit; to provide for eligibility; to provide for an effective date; and to provide
5	for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 47:6007(C)(1)(c)(introductory paragraph) and (d) are hereby
8	amended and reenacted and R.S. 47:6007(C)(1)(e) is hereby enacted to read as follows:
9	§6007. Motion picture investor tax credit
10	* * *
11	C. Investor tax credit; specific productions and projects.
12	(1)
13	* * *
14	(c) For state-certified productions approved by the office and the secretary
15	on or after July 1, 2009 and prior to July 1, 2015:
16	* * *
17	(d) For state-certified productions approved by the office and the secretary
18	on or after July 1, 2015:

1	(i) If the total base investment is greater than three hundred thousand dollars,
2	each investor shall be allowed a tax credit of thirty percent of the base investment
3	made by that investor.
4	(ii) To the extent that base investment is expended on payroll for Louisiana
5	residents employed in connection with a state-certified production, each investor
6	shall be allowed an additional tax credit of five percent of such payroll. However,
7	if the payroll to any one person exceeds one million dollars, this additional credit
8	shall exclude any salary for that person that exceeds one million dollars. The
9	additional tax credit allowed under the provisions of this Subparagraph shall not be
10	allowed if the production bases its office within a radius of forty miles from the New
11	Orleans City Hall.
12	(d) (e) Motion picture investor tax credits associated with a state-certified
13	production shall never exceed the total base investment in that production.
14	* * *
15	Section 2. This Act shall become effective on July 1, 2015; if vetoed by the governor
16	and subsequently approved by the legislature, this Act shall become effective on July 1,
17	2015, or on the day following such approval by the legislature, whichever is later.

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 798 Original

2015 Regular Session

Ponti

Abstract: Beginning July 1, 2015, prohibits a production that bases its office within 40 miles of New Orleans City Hall from being eligible to receive the additional 5% tax credit of certain La. payroll.

<u>Present law</u> provides for an income tax credit for La. taxpayers for investment in state-certified productions earned at the time expenditures are made by a motion picture production company in a state-certified production. The amount of the credit shall be equal to 30% of the base investment made by the investor if the total base investment is more than \$300,000. Additionally provides for a credit equal to 5% of base investment expended on payroll for La. residents employed in connection with a state-certified production. However, this credit does not apply to the payroll of any one person that exceeds \$1 million.

<u>Proposed law retains present law and further prohibits, beginning July 1, 2015, the additional credit equal to 5% of base investment expended on payroll for La. residents employed in</u>

connection with a state-certified production if the production bases its office within $40\,\mathrm{miles}$ of New Orleans City Hall.

Effective July 1, 2015.

(Amends 47:6007(C)(1)(c)(intro. para.) and (d); Adds R.S. 47:6007(C)(1)(e))