

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 101** SLS 15RS 59

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 2, 2015	3:55 PM	<b>Author:</b> MORRELL
<b>Dept./Agy.:</b> Economic Development/Workforce Commission		<b>Analyst:</b> Deborah Vivien
<b>Subject:</b> Data verification of film production employment reports		

TAX/TAXATION

OR SEE FISC NOTE GF RV

Page 1 of 1

Requires the Louisiana Workforce Commission to provide information to LED and LDR to verify payroll and employment of Louisiana residents for purposes of the motion picture investor tax credit. (7/1/15)

Current law provides a transferable income tax credit for 30% of qualified expenditures related to motion picture production with an additional 5% for payroll of Louisiana residents.

Proposed law directs the Office of Entertainment Industry Development and the Department of Revenue to verify payroll information on Louisiana residents submitted as eligible expenses for a film credit by comparing it to data provided by the Louisiana Workforce Commission.

Effective July 1, 2015

<b>EXPENDITURES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

According to the Louisiana Workforce Commission (LWC), the LWC and the Department of Revenue (LDR) already have a Memorandum of Understanding to share salary and wage information. If data validation required by this bill is based on information currently collected in the normal course and scope of operating existing data sharing programs, this bill will have little effect on LWC or LDR costs.

**REVENUE EXPLANATION**

The bill requires verification with known employment data as provided by the Louisiana Workforce Commission to determine the accuracy of Louisiana payroll expenses submitted for a film credit. To the extent that fraudulent expenses are detected and rejected, net state tax receipts will increase. This fiscal note does not assume a level of fraudulent activity within the film program.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	 <b>Gregory V. Albrecht</b> <b>Chief Economist</b>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & 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}		