
The original instrument was prepared by Riley Boudreaux. The following digest, which does not constitute a part of the legislative instrument, was prepared by Laura Gail Sullivan.

SB 98 Engrossed DIGEST Morrell
2015 Regular Session

Present law authorizes any motion picture tax credits not previously claimed by any taxpayer against its income tax to be transferred or sold to another Louisiana taxpayer or to the office of entertainment industry development ("office") of the Dept. of Economic Development.

Present law (R.S. 42:1102(13)) in the Ethics Code defines "immediate family" as a person's children, the spouses of his children, his brothers and their spouses, his sisters and their spouses, his parents, his spouse, and the parents of his spouse.

Proposed law requires any person selling or brokering motion picture tax credits on behalf of an investor to meet the following qualifications:

- (1) The person has no prior conviction for any matter related to taxes, tax credits, or fraud.
- (2) No member of the person's immediate family, as defined in present law provisions of the Ethics Code, is employed by the office.
- (3) The person has not been employed by the office in the last two years.

Proposed law provides that the office may promulgate rules under the APA to ensure that an applicant for the registry is qualified under proposed law. Specifies that the rules shall require that any applicant for registration to undergo a criminal history background check at the expense of the applicant.

Proposed law requires the office to create and maintain a Public Registry of Motion Picture Investor Tax Credit Brokers and to include in the registry any person who meets the qualifications under proposed law.

Proposed law requires the office to make available to the public and to maintain on its website an updated list of those eligible to sell or broker tax credits.

Proposed law subjects any person selling or brokering tax credits on behalf of an investor who fails to qualify and register to punishment by a fine of not more than \$10,000 or imprisonment at hard labor for not more than five years, or both. In addition, a person must be ordered to make full restitution to any person who has suffered a financial loss as a result of the offense. If a person ordered to make restitution is found to be indigent and therefore unable to make restitution in full at the time of conviction, the court must order a periodic payment plan consistent with the person's financial ability.

Applicable to transfers occurring on and after regulations of the providing for the qualifications of

persons to be included in the registry are finalized and become effective.

Effective January 1, 2016.

(Adds R.S. 15:587(A)(1)(h) and R.S. 47:6007(C)(7))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to
the original bill

1. Provides bright line qualification standards for inclusion in the registry.