
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 Reengrossed

2015 Regular Session

Ponti

Abstract: Beginning July 1, 2015, authorizes an additional 5% credit for all qualified expenditures, excluding non-resident payroll, when the production is based and 50% of film production days occur beyond a 30-mile radius of New Orleans City Hall. Further caps this additional credit to the amount of certain expenditures relative to La. residents employed by the state-certified production.

Present law 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.

Proposed law retains present law and authorizes an additional credit equal to 5% of base investment expended on all qualified production expenditures, excluding non-resident payroll, for state-certified productions that base its main production office beyond a 30-mile radius of New Orleans City Hall and films more than 50% of its production days beyond a 30-mile radius of New Orleans City Hall. Proposed law limits the amount of this additional credit to an amount not to exceed the total amount of qualified expenditures of the state-certified production expended on housing, per diem, and living allowances for La. residents.

Effective July 1, 2015.

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Delete the provisions of proposed law prohibiting the additional 5% credit of the base investment expended on payroll for La. residents employed in connection with a state-certified production if the production bases its office within 40 miles of New Orleans City Hall.

2. Add provisions that authorize, beginning July 1, 2015, an additional credit equal to 5% of base investment expended on all qualified production expenditures, excluding non-resident payroll, for state-certified productions that base its main production office beyond a 40-mile radius of New Orleans City Hall and films more than 50% of its production days beyond a 40-mile radius of New Orleans City Hall.
3. Eliminate, beginning July 1, 2015, the additional 5% credit of the base investment expended on payroll for La. residents employed in connection with a state-certified production.

The House Floor Amendments to the engrossed bill:

1. Add provision to proposed law that exists in present law, which authorizes an additional 5% tax credit of an investor's base investment for La. payroll, but prohibits the additional tax credit on payroll of any single La. resident that exceeds \$1 million.
2. Specify that the additional 5% tax credit for state-certified productions that base its production offices outside of a 40-mile radius of New Orleans City Hall and film a majority of its production days outside of a 40-mile radius of New Orleans City Hall cannot exceed the total amount expended on housing, per diem, and living allowances for La. residents.
3. Change the radius in proposed law from 40 miles to 30 miles.