

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 103

2015 Regular Session

Morrell

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

TAX/TAXATION. Excludes certain expenditure as eligible for motion picture investor tax. (1/1/16)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Makes technical changes.
2. Specifies that expenditures excluded from production expenditures may be allocated only on a pro rata basis and allocation of fees as a relative percentage.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

SB 103 Engrossed

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Present law grants a motion picture investor tax credit as a percentage of the "base investment" made and used for "production expenditures" in the state for a "state-certified production". The term "production expenditures" is defined in present law.

Present law provides that the term "expenditure" does not include expenditures for marketing and distribution, non-production related overhead, amounts reimbursed by the state or other governmental entity, costs related to the transfer of tax credits, amounts paid as a result of participation in profits from the exploration of the production, the application fee, or state or local taxes.

Proposed law applies to productions with applications received by the office of entertainment industrial development on and after July 1, 2016.

Proposed law also provides that the term "expenditures" does not include expenditures for airfare or expenditures for bond fees, insurance premiums, finance fees, loan interest fees, or payments of a similar nature paid to investors in the production unless made to certain insurance producers, financial institutions, or a business and industrial development company regulated by the office of financial institutions.

Proposed law provides for allocation of expenditures on a pro rata basis and allocation of fees as a percentage of production activity in and out of state.

Effective January 1, 2016.

(Amends R.S. 47:6007(B)(10))

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