

First Extraordinary Session, 2002

ACT No. 1

HOUSE BILL NO. 17 (Duplicate of Senate Bill No. 87)

BY REPRESENTATIVE SCALISE AND SENATOR DARDENNE AND
COAUTHORED BY REPRESENTATIVES BEARD, BROOME,
CLARKSON, CURTIS, FAUCHEUX, GALLOT, GUILLORY,
JOHNS, PIERRE, RICHMOND, SCHWEGMANN, AND SWILLING
AND SENATORS BARHAM, HOLLIS, AND IRONS

AN ACT

To amend and reenact R.S. 47:1123(4) and (5) and to enact R.S. 47:1125.1,
relative to the Louisiana Motion Picture Incentive Act; to provide for
a tax credit for employing Louisiana residents; to provide for
definitions; to provide for an effective date; and to provide for related
matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:1123(4) and (5) are hereby amended and reenacted
and R.S. 47:1125.1 is hereby enacted to read as follows:

§1123. Definitions

The following words and phrases as used in this Chapter shall
have the following meanings unless the context of use clearly indicates
otherwise:

* * *

(4) "Motion picture" means a nationally distributed feature-
length film, video, television series, or commercial made in Louisiana,
in whole or in part for theatrical or television viewing or as a television
pilot. The term "motion picture" shall not include the production of
television coverage of news and athletic events.

(5) "Motion picture production company" means a company engaged in the business of producing nationally distributed motion pictures, videos, television series, or commercials intended for a theatrical release or for television viewing. Motion picture production company shall not mean or include any company owned, affiliated, or controlled, in whole or in part, by any company or person which is in default on a loan made by the state or a loan guaranteed by the state.

* * *

§1125.1. Employment tax credit

A. A motion picture production company shall be entitled to a tax credit for the employment of residents of Louisiana in connection with production of a motion picture. The credit shall be equal to ten percent of the total aggregate payroll for residents employed in connection with such production when total production costs in Louisiana equal or exceed three hundred thousand dollars but total less than one million dollars during the taxable year. The credit shall be equal to twenty percent of the total aggregate payroll for residents employed in connection with such production when total production costs in Louisiana equal or exceed one million dollars during the taxable year. For purposes of this Section, the term "total aggregate payroll" shall not include the salary of any employee whose salary is equal to or greater than one million dollars.

B. The credit may be applied to any income tax or corporation franchise tax liability applicable to the motion picture production company or to which items of expense or income flow from a corporation, partnership, limited liability company, or other entity. The credit may be applied to any corporation income or franchise tax

liability of any entity taxed as a corporation for federal income tax purposes. The credit shall be limited to the tax liability of the motion picture production company for the taxable year in which such company applies for the credit.

C. The secretary of the Department of Revenue shall promulgate such rules and regulations as may be necessary to administer this Section.

Section 2. This Act shall become effective on July 1, 2002; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on July 1, 2002, or on the day following such approval by the legislature, whichever is later. This Act shall become null and void on June 30, 2006.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____