

March 29, 2005

**H 948. FILM PRODUCTION RECRUITMENT STIMULUS. TO MAKE CHANGES IN THE REVENUE LAWS AND ESTABLISH A GRANT PROGRAM TO STIMULATE FILM PRODUCTION IN THIS STATE.** Enacts new GS 105-164.13(22b) to exempt from State and local sales taxes film and video production equipment sold to film and television production companies. Enacts new GS 105-164.14(k), 153A-155.1, and 160A-215.2 to refund to film and television production companies the State and local sales taxes and local occupancy taxes paid by them on accommodations occupied by an employee for a period of more than 30 days.

Repeals GS 143B-434.4, the Film Industry Development Account, and enacts a new Part 21 of Article 10 of GS Chapter 143B, creating a "Film NC Fund" grant program under which the Film NC Fund Grant Committee may award grants to any film and television production companies that spend over \$250,000 in NC on a production. The Committee is made up of the Secretary of Commerce (or a designee), the director of the NC Film Office, the chair of the NC Film Council, and two non-legislators appointed by the General Assembly. The Committee must develop criteria for determining whether a production is eligible for a grant, consistent with conditions set by statute. Grants are measured as a percentage of the company's NC expenditures, not to exceed 10%, and are awarded pursuant to an agreement under which the company agrees to meet certain conditions and the State commits to pay the grant when the production is complete. Provisions prohibit conflict of interest by committee members. Act appropriates \$4 million in each year of the 2005-07 fiscal biennium to the Film NC Fund.

Effective July 1, 2005.

**Intro. by Owens, Earle, Sherrill, Wright.**

Ref. to Finance

GS 105, 143B, 153A, 160A, APPROP