

March 24, 2005

S 1144. FILM INDUSTRY JOBS INCENTIVES. *TO ATTRACT AND RETAIN FILM INDUSTRY JOBS IN THIS STATE BY PROVIDING FOR A TAX INCENTIVE FOR PRODUCTION COMPANIES IN THE STATE.* Repeals GS 143B-434.4, the Film Industry Development Account, and enacts GS 105-130.47 and GS 105-151.29 to allow a refundable income tax credit for film and television production companies that spend at least \$250,000 in NC on a production. The taxpayer is allowed a credit equal to 15% of the production expenses. To the extent the credit amount exceeds any NC income tax the taxpayer owes, the State pays the excess as a cash grant to the taxpayer. Act requires the Department of Revenue to report annually on taxpayers claiming the credit and makes conforming changes to tax secrecy law. Effective beginning with the 2005 tax year.

Intro. by Boseman.

Ref. to Finance

GS 105, 143B

June 15, 2005

S 1144. FILM INDUSTRY JOBS INCENTIVE. Intro. 3/24/05. Senate committee substitute makes the following changes to 1st edition. Identical to Section 39.1 of the 5th edition of Senate Bill 622, adopted 6/14/05.

June 21, 2005

S 1144. FILM INDUSTRY JOBS INCENTIVES. Intro. 3/24/05. Senate amendment makes the following changes to 2nd edition. Amends definition of qualifying expenses to include leased goods and services and to provide a formula for calculating the amount of qualified expenses for goods with a purchase price of \$25,000 or more. Deletes requirement that NC Film Office certify qualifying expenses. Limits the amount of credit allowed for a feature film production to \$7.5 million. Disallows credits for radio productions. Changes ending date of 12-month period for which Department of Revenue must report information from April 1 to December 31. Makes repeal of GS 143B-434.4 (Film Industry Development Account) effective July 1, 2005. Makes remainder of act effective for taxable years beginning on or after January 1, 2005, and applicable to qualifying expenses incurred on or after July 1, 2005.