May 9, 2006
S 1213. FILM INCENTIVE CHANGES. Filed 5/9/06. *TO CONFORM THE TAX CREDIT FOR PRODUCTION COMPANIES TO THE STANDARD TAX TREATMENT WITH RESPECT TO THE DEDUCTION OF BUSINESS EXPENSES AND TO MAKE TECHNICAL CHANGES TO THAT CREDIT.* Amends the tax credit for qualifying expenses of a production company (GS 105-130.47 and GS 105-151.29) and repeals GS 105-130.5(a)(18) and GS 105-134.6(c)(9) to eliminate the prohibition against claiming both a deduction and a credit for the same qualifying expenses. Further amends the tax credit for qualifying expenses of a production company to (1) exclude from the definition of qualifying expenses amounts paid to a person who receives over $1 million in compensation for services with respect to a single production (was, compensation for anything) and (2) remove redundant references to amounts spent by a production company. Amends GS 105-259(b) (secrecy of tax information), effective when the act becomes law, to authorize the Department of Revenue to disclose to a taxpayer claiming the tax credit for qualifying expenses of a production company the information used by the Secretary of Revenue to adjust the amount of credit claimed by the taxpayer. Except for the tax secrecy change, the act is effective beginning with the 2006 tax year.
Intro. by Boseman.   GS 105

June 1, 2006
S 1213. FILM INCENTIVE CHANGES. Filed 5/9/06. Senate committee substitute makes the following changes to 1st edition. Amends GS 105-130.47(a) and GS 105-151.29(a) (tax credits for production company expenses) to (1) exclude from expenses for which a credit is allowed any payments to highly compensated individuals for goods and services as well as for compensation and wages (was, compensation and wages only) and (2) provide that for the purpose of determining whether an individual is highly compensated, indirect compensation received by the individual is included and only compensation for "personal services" is included (was, "services" in 1st edition). Also makes the statutory language more readable.