

SECOND REGULAR SESSION

# HOUSE BILL NO. 2034

## 93RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES ROBB (Sponsor) AND SUTHERLAND (Co-sponsor).

Read 1st time March 16, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

5631L.01I

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### AN ACT

To repeal section 135.750, RSMo, and to enact in lieu thereof one new section relating to tax credits for qualified film production projects.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 135.750, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 135.750, to read as follows:

135.750. 1. Beginning January 1, 1999, a taxpayer shall be granted a tax credit against the tax otherwise due pursuant to chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.261, RSMo, or chapter 148, RSMo, for up to fifty percent of the amount of investment in production or production-related activities in a qualified film production project. As used in this section, the term "taxpayer" means an individual, a partnership, or a corporation as described in section 143.441, 143.471, RSMo, or section 148.370, RSMo, and the term "qualified film production project" means any film production project with an expected in-state expenditure budget in excess of three hundred thousand dollars. Each film production company shall be limited to one qualified film production project per year. Activities qualifying a taxpayer for the tax credit pursuant to this subsection shall be approved by the office of the Missouri film commission and the department of economic development.

2. Taxpayers shall apply for the film production tax credit by submitting an application to the department of economic development, on a form provided by the department. As part of the application, the expected in-state expenditures of the qualified film production project shall be documented. In addition, the application shall include an economic impact statement,

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 showing the economic impact from the activities of the film production project. Such economic  
17 impact statement shall indicate the impact on the region of the state in which the film production  
18 or production-related activities are located and on the state as a whole.

19 3. Tax credits certified pursuant to subsection 1 of this section shall not exceed one  
20 million dollars per taxpayer per year, and shall not exceed a total for all tax credits certified of  
21 ~~[one]~~ **two** million five hundred thousand dollars per year. Taxpayers may carry forward unused  
22 credits for up to five tax periods, provided all such credits shall be claimed within ten tax periods  
23 following the tax period in which the film production or production-related activities for which  
24 the credits are certified by the department occurred.

25 4. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
26 exchange, convey or otherwise transfer tax credits allowed in subsection 1 of this section. The  
27 taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities  
28 otherwise imposed by chapter 143, RSMo, excluding withholding tax imposed by sections  
29 143.191 to 143.261, RSMo, or chapter 148, RSMo. Unused acquired credits may be carried  
30 forward for up to five tax periods, provided all such credits shall be claimed within ten tax  
31 periods following the tax period in which the film production or production-related activities for  
32 which the credits are certified by the department occurred.

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