

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Substitute for Senate Committee Substitute for
2 Senate Bill No. 92, Page 8, Section 135.647, Line 78, by inserting after all of said section and line
3 the following:
4

5 "135.750. 1. This section shall be known and may be referred to as the "Show MO Act".

6 2. As used in this section, the following terms mean:

7 (1) ~~["Highly compensated individual", any individual who receives compensation in excess~~
8 ~~of one million dollars in connection with a single qualified film production project]~~ "Above-the-line
9 individual", any individual hired or credited on-screen for a qualified motion media production
10 project as any type of producer, principal cast that is at a Screen Actors Guild Schedule F and above
11 payment rate, screenwriter, and the director;

12 (2) "Qualified [film] motion media production project", any film[, video, commercial, or
13 television production] or series production, including videos, commercials, video games, webisodes,
14 music videos, content-based mobile applications, virtual reality, augmented reality, multi-media, and
15 new media, as well as standalone visual effects and post-production for such motion media
16 production project, as approved by the department of economic development and the office of the
17 Missouri film commission, that features a statement and logo designated by the division of tourism
18 within the department of economic development in the credits of the completed production
19 indicating that the project was filmed in Missouri and that is under thirty minutes in length with [an]
20 expected [in-state expenditure budget] qualifying expenses in excess of fifty thousand dollars[;] or
21 [that] is over thirty minutes in length with [an] expected [in-state expenditure budget] qualifying
22 expenses in excess of one hundred thousand dollars. Regardless of the production costs, "qualified
23 [film production] motion media production project" shall not include any:

24 (a) News or current events programming;

25 (b) Talk show;

26 (c) Production produced primarily for industrial, corporate, or institutional purposes, and for
27 internal use;

28 (d) Sports event or sports program;

29 (e) Gala presentation or awards show;

30 (f) Infomercial or any production that directly solicits funds;

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1 (g) Political ad;

2 (h) Production that is considered obscene, as defined in section 573.010;

3 (3) "Qualifying expenses", the sum of the total amount spent in this state for the following
4 by a production company in connection with a qualified ~~[film]~~ motion media production project:

5 (a) Goods and services leased or purchased by the production company. For goods with a
6 purchase price of twenty-five thousand dollars or more, the amount included in qualifying expenses
7 shall be the purchase price less the fair market value of the goods at the time the production is
8 completed;

9 (b) Compensation and wages paid by the production company on which the production
10 company remitted withholding payments to the department of revenue under chapter 143. For
11 purposes of this section, compensation and wages ~~[shall not include any amounts paid to a highly~~
12 ~~compensated individual]~~ paid to all above-the-line individuals shall be limited to twenty-five
13 percent of the overall qualifying expenses;

14 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
15 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 148;

16 (5) "Taxpayer", any individual, partnership, or corporation as described in section 143.441,
17 143.471, or section 148.370 that is subject to the tax imposed in chapter 143, excluding withholding
18 tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 148, or any charitable
19 organization which is exempt from federal income tax and whose Missouri unrelated business
20 taxable income, if any, would be subject to the state income tax imposed under chapter 143.

21 ~~[2. For all taxable years beginning on or after January 1, 1999, but ending on or before~~
22 ~~December 31, 2007, a taxpayer shall be granted a tax credit for up to fifty percent of the amount of~~
23 ~~investment in production or production-related activities in any film production project with an~~
24 ~~expected in-state expenditure budget in excess of three hundred thousand dollars. For all taxable~~
25 ~~years beginning on or after January 1, 2008, a taxpayer shall be allowed a tax credit for up to thirty-~~
26 ~~five percent of the amount of qualifying expenses in a qualified film production project. Each film~~
27 ~~production company shall be limited to one qualified film production project per year.]~~

28 3. (1) For all tax years beginning on or after January 1, 2023, a taxpayer shall be allowed a
29 tax credit equal to twenty percent of qualifying expenses.

30 (2) An additional five percent may be earned for qualifying expenses if at least fifty percent
31 of the qualified motion media production project is filmed in Missouri.

32 (3) An additional five percent may be earned for qualifying expenses if at least fifteen
33 percent of the qualified motion media production project that is filmed in Missouri is filmed in a
34 rural or blighted area in Missouri.

35 (4) An additional five percent may be earned for qualifying expenses if at least three
36 departments of the qualified motion media production project hire a Missouri resident ready to
37 advance to the next level in a specialized craft position or learn a new skillset.

38 (5) An additional five percent may be earned for qualifying expenses if the department of
39 economic development determines that the script of the qualified motion media production project

positively markets a city or region of the state, the entire state, or a tourist attraction located in the state, and the qualified motion media production project provides no less than five high resolution photographs containing cast with the rights cleared for promotional use by the Missouri film commission, accompanied by a list with the title of production, location, names, and titles of the individuals shown in the photography and photographer credit.

(6) The total dollar amount of tax credits authorized pursuant to subdivision (1) of this subsection shall be increased by ten percent for qualified motion media production projects located in a county of the second, third, or fourth class.

(7) 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.

[3-] 4. A qualified motion media production project shall not be eligible for tax credits pursuant to this section unless such project employs at least the following number of Missouri registered apprentices or veterans residing in Missouri with transferable skills:

(1) If the qualifying expenses are less than five million dollars, two;

(2) If the qualifying expenses are at least five million dollars but less than ten million dollars, three;

(3) If the qualifying expenses are at least ten million dollars but less than fifteen million dollars, six; or

(4) If the qualifying expenses are at least fifteen million dollars, eight.

5. Taxpayers shall apply for the [film] motion media 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] qualifying expenses of the qualified [film] motion media production project shall be documented. In addition, the application shall include an economic impact statement, showing the economic impact from the activities of the [film] qualified motion media production project. Such economic impact statement shall indicate the impact on the region of the state in which the [film] qualified motion media production project or production-related activities are located and on the state as a whole. Final applications shall be accompanied by a report by a certified public accountant located in and licensed by the state of Missouri, prepared at the expense of the applicant, attesting that the amounts in the final application are qualifying expenses.

[4. For all taxable years ending on or before December 31, 2007, tax credits certified pursuant to subsection 2 of this section shall not exceed one million dollars per taxpayer per year, and shall not exceed a total for all tax credits certified of one million five hundred thousand dollars per year.] 6. For all [taxable] tax years beginning on or after January 1, [2008] 2023, the total amount of tax credits [certified under subsection 1 of] authorized by this section for film production shall not exceed a total [for all tax credits certified] of [four] eight million [five hundred thousand] dollars per year, and the total amount of all tax credits authorized by this section for series production shall not exceed a total of eight million dollars per year. Taxpayers may carry forward

1 unused credits for up to five tax periods, provided all such credits shall be claimed within ten tax
 2 periods following the tax period in which the ~~[film]~~ qualified motion media production or
 3 production-related activities for which the credits are certified by the department occurred.

4 ~~[5.]~~ 7. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,
 5 exchange, convey or otherwise transfer tax credits allowed in subsection ~~[2]~~ 3 of this section. The
 6 taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities otherwise
 7 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or
 8 chapter 148. Unused acquired credits may be carried forward for up to five tax periods, provided all
 9 such credits shall be claimed within ten tax periods following the tax period in which the ~~[film]~~
 10 qualified motion media production project or production project-related activities for which the
 11 credits are certified by the department occurred.

12 8. The tax credit authorized by this section shall be considered a business recruitment tax
 13 credit, as defined in section 135.800, and shall be subject to the provisions of sections 135.800 to
 14 135.830.

15 9. The department of economic development may adopt such rules, statements of policy,
 16 procedures, forms, and guidelines as may be necessary to implement the provisions of this section.
 17 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
 18 authority delegated in this section shall become effective only if it complies with and is subject to all
 19 of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536
 20 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536
 21 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held
 22 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
 23 August 28, 2023, shall be invalid and void.

24 ~~[6.]~~ 10. Under section 23.253 of the Missouri sunset act:

25 (1) The provisions of the ~~[new]~~ program authorized under this section shall automatically
 26 sunset ~~[six years after November 28, 2007]~~ on December 31, 2029, unless reauthorized by an act of
 27 the general assembly; and

28 (2) If such program is reauthorized, the program authorized under this section shall
 29 automatically sunset on December thirty-first, twelve years after the effective date of the
 30 reauthorization of this section; and

31 (3) This section shall terminate on September first of the calendar year immediately
 32 following the calendar year in which the program authorized under this section is sunset; and

33 (4) The provisions of this subsection shall not be construed to limit or in any way impair the
 34 department's ability to redeem tax credits authorized on or before the date the program authorized
 35 pursuant to this section expires, or a taxpayer's ability to redeem such tax credits.

36 11. (1) Notwithstanding the provisions of subsection 10 of this section to the contrary, the
 37 provisions of this section shall automatically terminate and expire one year after the department of
 38 economic development determines that all other state and local governments in the United States of
 39 America have terminated or let lapse their tax credit or other governmental incentive program for

1 the film production industry, regardless of whether such credits or programs are now in effect or first
2 commence after the effective date of this section. The department of economic development shall
3 notify the revisor of statutes upon the department's determination that the tax credit authorized by
4 this section shall terminate pursuant to this subsection.

5 (2) The provisions of this subsection shall not be construed to limit or in any way impair the
6 ability of any taxpayer that has met the requirements in this section prior to the termination of this
7 section to participate in the program authorized under this section. The provisions of this section
8 shall not be construed to limit or in any way impair the department of revenue's ability to redeem tax
9 credits qualified for on or before the date the program authorized pursuant to this section expires.";

10 and

11
12 Further amend said bill by amending the title, enacting clause, and intersectional references
13 accordingly.