

SECOND REGULAR SESSION

# HOUSE BILL NO. 2168

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE STEINMEYER.

4075H.011

JOSEPH ENGLER, Chief Clerk

## AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to the Missouri motion picture rebate incentive program.

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

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be known as section 620.4000, to read as follows:

**620.4000. 1. This section shall be known and may be cited as the "Missouri Motion Picture Rebate Incentive Program".**

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

**(1) "Department", the department of economic development;**

**(2) "Independent certified public accountant", any person that is in good standing with the American Institute of Certified Public Accountants in all states in which the person is licensed to practice accountancy;**

**(3) "Motion picture production company", any person, corporation, partnership, or other business entity engaged in the business of producing a motion picture, television program, streaming series, documentary, or commercial production, in whole or in part, in this state;**

**(4) "Qualified motion picture production project", a motion picture produced by a motion picture production company that is approved by the department and the office of the Missouri film commission established under section 620.1210 that:**

**(a) Features a statement and logo designated by the department in the credits of the completed production indicating that the production was filmed in Missouri; and**

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.

17           **(b) Is under thirty minutes in length with expected qualifying expenses in excess**  
18 **of fifty thousand dollars or is over thirty minutes in length with expected qualifying**  
19 **expenses in excess of one hundred thousand dollars.**

20  
21 **Regardless of the production costs, a qualified motion picture production project shall**  
22 **not include any:**

- 23           **a. News or current events programming;**
- 24           **b. Talk show;**
- 25           **c. Production produced primarily for industrial, corporate, or institutional**  
26 **purposes, and for internal use;**
- 27           **d. Sports event or sports program;**
- 28           **e. Gala presentation or awards show;**
- 29           **f. Infomercial or any production that directly solicits funds;**
- 30           **g. Political ad; or**
- 31           **h. Production that is considered obscene, as defined in section 573.010;**

32           **(5) "Qualifying expenses", the sum of the total costs directly spent in this state**  
33 **for the following by a motion picture production company in connection with a qualified**  
34 **motion picture production project:**

35           **(a) Goods and services leased or purchased by the motion picture production**  
36 **company from Missouri vendors. For goods with a purchase price of twenty-five**  
37 **thousand dollars or more, the amount included in qualifying expenses shall be the**  
38 **purchase price less the fair market value of the goods at the time the production is**  
39 **completed;**

40           **(b) Lodging;**

41           **(c) Catering;**

42           **(d) Set construction;**

43           **(e) Compensation and wages paid by the motion picture production company on**  
44 **which the motion picture production company remitted withholding payments to the**  
45 **department of revenue under chapter 143 for Missouri residents. For purposes of this**  
46 **section, compensation and wages paid to all above-the-line individuals shall be limited to**  
47 **twenty-five percent of the overall qualifying expenses; and**

48           **(f) Post-production services.**

49           **3. (1) A motion picture production company shall submit an application for**  
50 **rebate to the department on a form approved by the department. The application shall**  
51 **be completed in its entirety and include the information required by the department.**

52           **(2) The department shall establish the procedures and standards for the**  
53 **determination and approval of an application for rebate.**

54           (3) The department may approve an application for rebate of up to thirty  
55 percent of qualifying expenses incurred in this state by a motion picture production  
56 company.

57           (4) The department may award an additional rebate of five percent to a motion  
58 picture production company if the department determines that at least seventy-five  
59 percent of the production cast and crew, excluding principal talent, are Missouri  
60 residents, or if at least seventy-five percent of production days occur outside of the  
61 Kansas City and St. Louis metropolitan statistical areas as delineated by the United  
62 States Office of Management and Budget.

63           (5) Based upon the department's review and verification of the cost report as  
64 indicated in subdivision (2) of subsection 6 of this section.

65           4. (1) The total amount of rebates authorized under this section shall not exceed  
66 thirty-five million dollars of the moneys appropriated by the general assembly, per fiscal  
67 year.

68           (2) No single qualified motion picture production project shall be eligible to  
69 receive more than twenty-five percent of the annual appropriation cap established  
70 under subdivision (1) of this subsection in any fiscal year.

71           (3) Any unused rebate funds may be carried forward and made available in the  
72 subsequent fiscal year, provided that the annual appropriation cap established under  
73 subdivision (1) of this subsection is not exceeded.

74           5. Rebates shall be considered expenditures of the state government and shall  
75 not be deemed to be tax credits or tax expenditures.

76           6. (1) Each motion picture production company applying for a rebate under this  
77 section shall submit to the department a cost report certified by an independent certified  
78 public accountant relating to an approved qualified motion picture production project.  
79 The cost report shall include detailed qualifying expenses that were incurred by the  
80 motion picture production company within the twelve-month time period after  
81 completion of the qualified motion picture production project.

82           (2) The department shall review the cost report submitted by the motion picture  
83 production company, verify compliance, and issue the rebate solely based upon the  
84 department's determination of actual qualifying expenses.

85           7. The department shall compile and publish a full report for submission to the  
86 general assembly and the governor by January fifteenth of each year. The report shall  
87 include the following:

88           (1) The total number of qualifying motion picture production projects approved;

89           (2) The total amount of qualifying expenses;

90           (3) The number of Missouri residents employed; and

91           (4) The geographic distribution of expenditures.

92           8. (1) There is hereby created in the state treasury the "Motion Picture  
93 Production Fund", which shall consist of moneys, subject to appropriation by the  
94 general assembly, for purposes set forth in this section, and any gifts, contributions,  
95 grants, or bequests received from federal, private, or other sources. The state treasurer  
96 shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state  
97 treasurer may approve disbursements. The fund shall be a dedicated fund and, upon  
98 appropriation, moneys in this fund shall be used solely as provided in this section.

99           (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys  
100 remaining in the fund at the end of the biennium shall not revert to the credit of the  
101 general revenue fund.

102           (3) The state treasurer shall invest moneys in the fund in the same manner as  
103 other funds are invested. Any interest and moneys earned on such investments shall be  
104 credited to the fund.

105           9. The department may promulgate all necessary rules and regulations for the  
106 administration of this section including, but not limited to, application procedures,  
107 auditing requirements, and standards for verifying qualifying expenses. Any rule or  
108 portion of a rule, as that term is defined in section 536.010, that is created under the  
109 authority delegated in this section shall become effective only if it complies with and is  
110 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This  
111 section and chapter 536 are nonseverable and if any of the powers vested with the  
112 general assembly pursuant to chapter 536 to review, to delay the effective date, or to  
113 disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
114 rulemaking authority and any rule proposed or adopted after August 28, 2026, shall be  
115 invalid and void.

116           10. (1) The provisions of this section shall expire on December 31, 2036, unless  
117 reauthorized by the general assembly.

118           (2) Applications for rebate approved by the department prior to December 31,  
119 2036, may receive rebates under this section, provided that the qualifying expenses are  
120 completed and submitted to the department before December 31, 2037.

121           11. The provisions of this section shall become effective beginning on July 1,  
122 2027.

✓