

ACT No. 425

2015 Regular Session

HOUSE BILL NO. 735

BY REPRESENTATIVE STOKES

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AN ACT

To amend and reenact R.S. 47:164(D) and 6007(B)(8) and (D)(5), relative to individual income tax; to provide with respect to the motion picture investor tax credit; to provide for employee compensation eligible as a production expense for purposes of the tax credit; to require withholding for purposes of individual income tax; to authorize the imposition of a fee by the Department of Revenue for purposes of administration of reporting related thereto; to authorize the exchange of certain specific information between the Department of Revenue and the Department of Economic Development; to require the reporting of certain payments and other information; to provide for applicability; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:164(D) and 6007(B)(8) and (D)(5) are hereby amended and reenacted to read as follows:

§164. Information at source

* * *

D. Withholding of tax at source. (1) The ~~collector~~ secretary, whenever it is deemed necessary to ~~insure~~ ensure compliance with the provisions of this Chapter, may require the United States, the state of Louisiana or any other state or any political subdivision, agency or instrumentality of the foregoing, or any person

1 having control, receipt, custody, disposal or payment of interest, other than interest
2 coupon payable to the bearer, rent, salaries, wages, premiums, annuities,
3 compensation, remunerations, emoluments, or other fixed or determinable annual or
4 periodical gains, profits, and income, paid or payable to any person, to deduct and
5 withhold as tax an amount determined by the ~~collector~~ secretary, to be payable from
6 such person and make return thereof and pay the tax to the ~~collector~~ secretary.

7 (2)(a) The motion picture investor tax credit pursuant to R.S. 47:6007 awards
8 a tax credit for investments made and used for production expenditures in this state
9 for state-certified productions. Therefore, any individual receiving any payments for
10 the performance of services used directly in a production activity, which payments
11 shall be claimed as a production expenditure for purposes of certification of tax
12 credits, is deemed to be receiving Louisiana taxable income whether directly or
13 indirectly through an agent or agency, loan-out company, a personal service
14 company, an employee leasing company, or other entity.

15 (b) Any motion picture production company, motion picture payroll services
16 company, or other entity making or causing to be made payments as provided in
17 Subparagraph (a) of this Paragraph, to an individual, or to an agent or agency, loan-
18 out company, personal service company, employee leasing company, or other entity
19 is considered to be paying compensation taxable by the state of Louisiana. For
20 purposes of eligibility as a production expenditure, the company or other entity shall
21 withhold taxes from those payments at the highest individual rate of six percent, or
22 the highest individual rate in effect at the time.

23 (c) The motion picture production company, motion picture payroll services
24 company, or other entity required to withhold income taxes as required by this
25 Paragraph shall electronically report and remit such withholdings to the Department
26 of Revenue quarterly. The information reported as required by this Subparagraph
27 may be provided to the Department of Economic Development and if provided, shall
28 be subject to the confidentiality provisions of R.S. 47:1508(B)(20). The reports shall
29 contain the following information:

1 Section 2. The provisions of this Act shall be applicable to productions which
2 receive initial certification on or after January 1, 2016.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____