ACT No. 662

HOUSE BILL NO. 737

BY REPRESENTATIVE ABRAMSON

1	AN ACT
2	To amend and reenact R.S. 47:114(E), 164(D)(2), and Section 2 of Act No. 425 of the 2015
3	Regular Session of the Legislature, relative to the Department of Revenue; to provide
4	with respect to deductions and withholdings by certain employers; to provide for the
5	submission of certain returns to the department; to change the deadline for the
6	submission of certain returns; to provide for applicability; to provide for an effective
7	date; and to provide for related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 47:114(E) and 164(D)(2) are hereby amended and reenacted to read
10	as follows:
1	§114. Returns and payment of tax
12	* * *
13	E. Date for filing annual returns. On or before the first business day
14	following February twenty-seventh of each year for the preceding calendar year, an
15	An employer shall file an annual return with the secretary on or before January
16	thirty-first of each year for the preceding calendar year.
17	* * *
18	§164. Information at source
19	* * *

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D. Withholding of tax at source.

(1)

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

- (b) Any motion picture production company, motion picture payroll services company, or other entity making or causing to be made payments as provided in Subparagraph (a) of this Paragraph, to an individual, or to an agent or agency, loan-out company, personal service company, employee leasing company, or other entity is considered to be paying compensation taxable by the state of Louisiana. For purposes of eligibility as a production expenditure, the company or other entity shall withhold taxes from those payments at the highest individual rate of six percent, or the highest individual rate in effect at the time and remit these payments to the department quarterly, excluding any amount that would otherwise not be subject to the withholding requirements imposed pursuant to state and federal law and regulations.
- (c) The motion picture production company, motion picture payroll services company, or other entity required to withhold income taxes as required by this Paragraph shall electronically report the information required by Items (i) through (iv) of this Subparagraph and remit such the withholdings on all payments provided

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1	for in Subparagraphs (a) and (b) of this Paragraph to the Department of Revenue
2	quarterly. The information reported as required by this Subparagraph may be
3	provided to the Department of Economic Development and if provided, shall be
4	subject to the confidentiality provisions of R.S. 47:1508(B)(20). The reports shall
5	contain the following information:
6	(i) Name, address, and taxpayer identification number of the loan-out
7	company or other entity.
8	(ii) Identification of entity type: C Corporation, S Corporation, or Limited
9	Liability Company with tax type specified.
10	(iii) Name, address, and social security number of the payee.
11	(iv) An affirmative statement of whether or not the production company is
12	a related party to the loan-out company or other entity, and if so, provision of an
13	affidavit stating under penalty of perjury that the transaction is valued at the same
14	value that an unrelated party would value the same transaction. If the production
15	company is a related party to the loan-out company, the report shall also include all
16	of the following information:
17	(aa) The ownership structure of the loan-out company or other entity.
18	(bb) An estimate amount of what the loan-out company or other entity will
19	pay the payee.
20	Section 2. Section 2 of Act No. 425 of the 2015 Regular Session of the Legislature
21	is hereby amended and reenacted to read as follows:
22	* * *
23	Section 2. The provisions of this Act shall be applicable to expenditures
24	occurring after January 1, 2016, for productions which receive initial certification on
25	or after January 1, 2016.
26	Section 3. The provisions of this Act shall be applicable to all taxable years
27	beginning on and after January 1, 2016.
28	Section 4. This Act shall become effective upon signature by the governor or, if not
29	signed by the governor, upon expiration of the time for bills to become law without signature
30	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

1	vetoed by the governor and subsequently approved by the legislature, this Act shall become
2	effective on the day following such approval.
	SPEAKER OF THE HOUSE OF REPRESENTATIVES
	PRESIDENT OF THE SENATE
	GOVERNOR OF THE STATE OF LOUISIANA

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APPROVED: