

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1547 Session of  
2023

INTRODUCED BY WAXMAN, JUNE 29, 2023

REFERRED TO COMMITTEE ON FINANCE, JUNE 29, 2023

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," in entertainment production tax credit, further  
11 providing for carryover, carryback and assignment of credit,  
12 for limitations and for pass-through entity.

13 The General Assembly of the Commonwealth of Pennsylvania  
14 hereby enacts as follows:

15 Section 1. Section 1714-D(e) (1) of the act of March 4, 1971  
16 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended  
17 and the subsection is amended by adding a paragraph to read:

18 Section 1714-D. Carryover, carryback and assignment of credit.

19 \* \* \*

20 (e) Sale or assignment.--The following shall apply:

21 (1) [A] Except as provided under paragraph (5), a  
22 taxpayer, upon application to and approval by the department,  
23 may sell or assign, in whole or in part, a tax credit granted

1 to the taxpayer under this subarticle.

2 \* \* \*

3 (5) A taxpayer may not sell or assign, in whole or in  
4 part, a tax credit granted to the taxpayer under this  
5 subarticle for a multifilm production.

6 \* \* \*

7 Section 2. Section 1716-D(a) of the act, amended July 8,  
8 2022 (P.L.513, No.53), is amended and the section is amended by  
9 adding a subsection to read:

10 Section 1716-D. Limitations.

11 (a) Cap.--Except for tax credits reissued under section  
12 1716.1-D or tax credits issued for multifilm productions, in no  
13 case shall the aggregate amount of tax credits awarded in any  
14 fiscal year under this subarticle exceed \$100,000,000. The  
15 department may, in its discretion, award in one fiscal year up  
16 to:

17 (1) Thirty percent of the dollar amount of film  
18 production tax credits available to be awarded in the next  
19 succeeding fiscal year.

20 (2) Twenty percent of the dollar amount of film  
21 production tax credits available to be awarded in the second  
22 successive fiscal year.

23 (3) Ten percent of the dollar amount of film production  
24 tax credits available to be awarded in the third successive  
25 fiscal year.

26 \* \* \*

27 (g) Multifilm productions.--The cap on the aggregate amount  
28 of tax credits awarded in any fiscal year under subsection (a)  
29 shall not apply to the award of tax credits to taxpayers for  
30 multifilm productions.

1 Section 3. Section 1718-D(c) of the act is amended and the  
2 section is amended by adding a subsection to read:

3 Section 1718-D. Pass-through entity.

4 \* \* \*

5 (c) Application.--[A] Except as provided under subsection  
6 (d), a shareholder, member or partner of a pass-through entity  
7 to whom a credit is transferred under subsection (a) shall  
8 immediately claim the credit in the taxable year in which the  
9 transfer is made. The shareholder, member or partner may not  
10 carry forward, carry back, obtain a refund of or sell or assign  
11 the credit.

12 (d) Multifilm productions.--A shareholder, member or partner  
13 of a pass-through entity to whom a tax credit for a multifilm  
14 production is transferred under subsection (a) may carry forward  
15 the tax credit for no more than three taxable years following  
16 the first taxable year for which the taxpayer was entitled to  
17 claim the tax credit for the multifilm production.

18 Section 4. This act shall take effect in 60 days.