

2012 AL H 243 , Enacted

Alabama

SUMMARY: Relates to the Entertainment Industry Incentives Act and qualified productions; increases the maximum expended amounts beyond which rebates would not be allowed; increases the annual cap for incentives allowed during any fiscal year.~SAME AS:

State Net Legislative History and Analysis

Changes in Bill text reflected as:

~~Text Deleted~~

Text Added

~~Text Vetoed~~

Current Legislative Status

02/09/2012 INTRODUCED.

02/09/2012 To HOUSE Committee on ECONOMIC DEVELOPMENT AND TOURISM.

02/16/2012 From HOUSE Committee on ECONOMIC DEVELOPMENT AND TOURISM: Reported favorably with substitute.

02/28/2012 Committee Substitute adopted on HOUSE floor.

02/28/2012 Amended on HOUSE floor.

02/28/2012 Passed HOUSE. *****To SENATE.

02/28/2012 To SENATE Committee on FINANCE AND TAXATION EDUCATION.

03/22/2012 From SENATE Committee on FINANCE AND TAXATION EDUCATION: Reported favorably with substitute.

04/10/2012 Committee substitute adopted on SENATE floor.

04/10/2012 Passed SENATE. *****To HOUSE for concurrence.

04/10/2012 HOUSE refused to concur in SENATE amendments.

04/10/2012 *****To CONFERENCE Committee.

04/10/2012 CONFERENCE Committee Report accepted by HOUSE.

04/12/2012 CONFERENCE Committee Report accepted by SENATE.

04/12/2012 Eligible for GOVERNOR'S desk.

04/12/2012 *****To GOVERNOR.

04/19/2012 Signed by GOVERNOR.

04/19/2012 Act No. 2012-212

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session: Alabama 2012 Regular Session

cite: 2012 AL H 243

Enacted

April 19, 2012

Collins

Act No. 2012-212

Rep(s). By Representatives Collins, Harper, Hubbard (J), Brown, Henry, Long,

Wallace, Patterson, Lee and Chesteen

HB243

ENROLLED , An Act,

Relating to the entertainment Industry Incentives Act of 2009; to amend Sections 41-7A-43 and 41-7A-45, as amended by Act 2011-695 of the 2011 Regular Session, and Section 41-7A-48 of the Code of Alabama 1975, to increase the maximum expended amounts beyond which rebates would not be allowed and increase the annual cap for incentives allowed during any fiscal year.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 41-7A-43, as amended by Act 2011-695 of the 2011 Regular Session, and 41-7A-48 of the Code of Alabama 1975, are amended to read as follows:

Section 41-7A-43.

“(a) Beginning January 1, 2009, a qualified production company shall be entitled to a rebate for production expenditures, as defined in subdivision (7) of Section ~~41-7A-41~~ 41-7A-42 , related to a state-certified production. The rebate shall be equal to 25 percent of the state-certified production’s production expenditures excluding payroll paid to residents of Alabama plus 35 percent of all payroll paid to residents of Alabama for the state-certified production, provided the total production expenditures for a project must equal or exceed at least five hundred thousand dollars (\$500,000), but no rebate shall be available for production expenditures incurred after the first ~~ten~~ twenty million dollars ~~(\$10,000,000)~~ (\$20,000,000) of production expenditures expended in Alabama on a state-certified production.

“(b) A single episode in a television series or miniseries may be considered a single production project for purposes of this section. However, in determining the total production expenditures incurred by a qualified production company on a qualified production, the total production expenditures of a television series or miniseries, whether a single season or multiple seasons thereof, to be filmed within a period of 12 consecutive months, each individual episode of which separately and independently meets the definition of a qualified production, may be aggregated to meet the monetary requirements set forth in subsection (a) as long as each individual episode within the series pertains to the same subject as the other episodes in the series.

“(c) A single commercial may be considered a single production project for purposes of this section. However, in determining the total production expenditures incurred by a qualified production company on a qualified production, the total production expenditures of a series of commercials to be filmed within a period of 12 consecutive months, each of which separately and independently meets the definition of a qualified production, may be aggregated to meet the monetary requirements set forth in subsection (a) as long as each individual commercial within the series pertains to the same subject as the other commercials in the series and was planned as part of a series of commercials to be filmed within a period of 12 consecutive months at the time the qualified production company applied for the incentives.

“(d) A qualified production company shall be entitled to the rebate for production expenditures as provided in subsection (a) for a qualified project that is limited only to the production of a soundtrack used in a motion picture or documentary, provided that the production expenditures for the soundtrack project must equal or exceed at least fifty thousand dollars (\$50,000), but no rebate shall be available for production expenditures incurred after the first three hundred thousand dollars (\$300,000) of production expenditures expended in Alabama.

“(e) A qualified production company shall be entitled to the rebate for production expenditures as provided in subsection (a) for a qualified project that is limited only to the production of a music video, provided that the production expenditures for the music video equal or exceed fifty thousand dollars (\$50,000), but no rebate shall be available for production expenditures incurred after the first two hundred thousand dollars (\$200,000) of production expenditures expended in Alabama.

“(f) The rebate described in this section may be applied to offset any income tax liability applicable to a qualified production company for the tax year in which production activity in Alabama on the state-certified production concludes.

“(g) The Commissioner of the Department of Revenue and the office shall promulgate rules necessary to administer this section.

“Section 41-7A-45.

“A qualified production company that intends to expend in the aggregate one hundred fifty thousand dollars (\$150,000) or more in connection with a qualified production in the State of Alabama within a consecutive 12-month period, upon making application for, meeting the requirements of, and receiving written certification of that designation from the office, shall be exempted from the payment of the state portion, but not the local portion of sales, use, and lodging taxes levied pursuant to Sections 40-23-2, 40-23-61, and 40-26-1, respectively, on production expenditures expended in Alabama in connection with the state-certified productions. The exemption provided by this section shall not be available

for production expenditures incurred by a qualified production company after the first ~~ten~~ *twenty* million dollars ~~(\$10,000,000)~~ *(\$20,000,000)* of production expenditures expended in Alabama on a state-certified project.

Section 41-7A-48.

“For *the* fiscal ~~years~~ *year* ending September 30, 2009, the aggregate cap of incentives granted under this article shall not exceed five million dollars (\$5,000,000) for all qualified production companies. For *the* fiscal ~~years~~ *year* ending September 30, 2010, the aggregate cap of incentives granted under this article shall not exceed seven million five hundred thousand dollars (\$7,500,000) for all qualified production companies. For fiscal years ending September 30, 2011, *and September 30, 2012,* ~~and for all subsequent fiscal years thereafter,~~ the aggregate cap of incentives granted under this article shall not exceed ten million dollars (\$10,000,000) for all qualified production companies. *For the fiscal year ending September 30, 2013, the aggregate cap of incentives granted under this article shall not exceed fifteen million dollars (\$15,000,000). For the fiscal year ending September 30, 2014, the aggregate cap of incentives granted under this article shall not exceed fifteen million dollars (\$15,000,000) and for all subsequent fiscal years thereafter, the aggregate cap of incentives granted under this article shall not exceed twenty million dollars (\$20,000,000) for all qualified production companies.* ”

Section 2. This act shall become effective immediately following its passage and approval by the Governor, or its otherwise becoming law.