S T A T E O F N E W Y O R K

2027

2013-2014 Regular Sessions

I N S E N A T E

(PREFILED)

January 9, 2013

Introduced by Sen. SQUADRON -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to the allocation of such credit against taxes for certain film production costs issued by a city having a population of one million or more

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision (b) of section 1201-a of the tax law, as amended by section 5 of part Y of chapter 62 of the laws of 2006, is amended to read as follows:

(b) Empire state film production credit. Any city in this state having a population of one million or more, acting through its local legislative body, is hereby authorized to adopt and amend local laws to allow a credit against the general corporation tax and the unincorporated business tax imposed pursuant to the authority of chapter seven hundred seventy-two of the laws of nineteen hundred sixty-six which shall be substantially identical to the credit allowed under section twenty-four of this chapter, except that:

(A) (I) the percentage of qualified production costs used to calculate such credit shall be [five] FOUR percent,

(II) FOR A TELEVISION SERIES WITH RESPECT TO WHICH A CREDIT HAS BEEN ALLOWED (1) IN THREE TAXABLE YEARS, THE AMOUNT OF THE CREDIT SHALL BE THREE PERCENT, (2) IN FOUR TAXABLE YEARS, THE AMOUNT OF THE CREDIT SHALL BE TWO PERCENT, AND

(III) NO CREDIT SHALL BE ALLOWED WITH RESPECT TO A TELEVISION SERIES FOR WHICH A CREDIT HAS BEEN ALLOWED IN FIVE TAXABLE YEARS;

(B) SUCH CREDIT SHALL NOT EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS PER QUALIFIED FILM OR EPISODE OF A QUALIFIED TELEVISION SERIES WITH RESPECT TO QUALIFIED PRODUCTION COSTS; PROVIDED, HOWEVER, THAT IF THE

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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QUALIFIED POST PRODUCTION COSTS PAID OR INCURRED WHICH ARE ATTRIBUTABLE TO THE USE OF TANGIBLE PROPERTY OR THE PERFORMANCE OF SERVICES AT A FILM POST PRODUCTION FACILITY WITHIN THE CITY OF NEW YORK IN THE PRODUCTION OF SUCH QUALIFIED FILM EQUAL OR EXCEED SEVENTY-FIVE PERCENT OF ALL THE POST PRODUCTION COSTS PAID OR INCURRED WHICH ARE ATTRIBUTABLE TO THE USE OF TANGIBLE PROPERTY OR THE PERFORMANCE OF SERVICES AT ANY FILM POST PRODUCTION FACILITY WITHIN AND WITHOUT THE CITY IN THE PRODUCTION OF SUCH QUALIFIED FILM, THEN THE AGGREGATE ANNUAL MAXIMUM ALLOWED CREDIT SHALL BE THREE HUNDRED THOUSAND DOLLARS,

[(B)] (C) whenever such section twenty-four references the state, such words shall be read as referencing the city,

[(C)] (D) such credit shall be allowed only to a taxpayer which is a qualified film production company, [and

(D)] (E) the effective date of such credit shall be July first, two thousand six. Such credit shall be applied in a manner consistent with the credit allowed under subdivision thirty-six of section two hundred ten of this chapter except as may be necessary to take into account differences between the general corporation tax and the unincorporated business tax, AND

(F) FOR PURPOSES OF THIS SUBDIVISION, "TELEVISION SERIES" OR "EPISODIC TELEVISION SERIES" MEANS A RECURRING PRODUCTION INTENDED IN ITS INITIAL RUN FOR BROADCAST ON TELEVISION, WHETHER FREE OR THROUGH SUBSCRIPTION-BASED SERVICE, THAT HAS A RUNNING TIME OF AT LEAST THIRTY MINUTES IN LENGTH, INCLUSIVE OF COMMERCIAL ADVERTISEMENT AND INTERSTITIAL PROGRAMMING.

S 2. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2013; provided further that this act shall apply to applications filed on or after January 1, 2013.