

8761

2009-2010 Regular Sessions

I N   A S S E M B L Y

June 5, 2009

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Introduced by M. of A. ENGLEBRIGHT -- read once and referred to the  
Committee on Ways and Means

AN ACT to amend the tax law and part P of chapter 60 of the laws of 2004  
amending the tax law relating to providing tax credits for certain  
costs incurred in film and television productions, 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 ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. Subdivision (b) of section 1201-a of the tax law, as  
2     amended by section 5 of part Y of chapter 62 of the laws of 2006, is  
3     amended to read as follows:  
4     (b) Empire state film production credit. Any city in this state having  
5     a population of one million or more, acting through its local legisla-  
6     tive body, is hereby authorized to adopt and amend local laws to allow a  
7     credit against the general corporation tax and the unincorporated busi-  
8     ness tax imposed pursuant to the authority of chapter seven hundred  
9     seventy-two of the laws of nineteen hundred sixty-six which shall be  
10    substantially identical to the credit allowed under section twenty-four  
11    of this chapter, except that:  
12    (A) (I) the percentage of qualified production costs used to calculate  
13    such credit shall be [five] FOUR percent,  
14    (II) FOR A TELEVISION SERIES WITH RESPECT TO WHICH A CREDIT HAS BEEN  
15    ALLOWED (1) IN THREE TAXABLE YEARS, THE AMOUNT OF THE CREDIT SHALL BE  
16    THREE PERCENT, (2) IN FOUR TAXABLE YEARS, THE AMOUNT OF THE CREDIT SHALL  
17    BE TWO PERCENT, AND  
18    (III) NO CREDIT SHALL BE ALLOWED WITH RESPECT TO A TELEVISION SERIES  
19    FOR WHICH A CREDIT HAS BEEN ALLOWED IN FIVE TAXABLE YEARS;  
20    (B) SUCH CREDIT SHALL NOT EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS  
21    PER QUALIFIED FILM OR EPISODE OF A QUALIFIED TELEVISION SERIES WITH  
22    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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1 QUALIFIED POST PRODUCTION COSTS PAID OR INCURRED WHICH ARE ATTRIBUTABLE  
2 TO THE USE OF TANGIBLE PROPERTY OR THE PERFORMANCE OF SERVICES AT A FILM  
3 POST PRODUCTION FACILITY WITHIN THE CITY OF NEW YORK IN THE PRODUCTION  
4 OF SUCH QUALIFIED FILM EQUAL OR EXCEED SEVENTY-FIVE PERCENT OF ALL THE  
5 POST PRODUCTION COSTS PAID OR INCURRED WHICH ARE ATTRIBUTABLE TO THE USE  
6 OF TANGIBLE PROPERTY OR THE PERFORMANCE OF SERVICES AT ANY FILM POST  
7 PRODUCTION FACILITY WITHIN AND WITHOUT THE CITY IN THE PRODUCTION OF  
8 SUCH QUALIFIED FILM, THEN THE AGGREGATE ANNUAL MAXIMUM ALLOWED CREDIT  
9 SHALL BE THREE HUNDRED THOUSAND DOLLARS,

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

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

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

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

26 S 2. Subdivision (b) of section 7 of part P of chapter 60 of the laws  
27 of 2004, amending the tax law relating to providing tax credits for  
28 certain costs incurred in film and television productions, as amended by  
29 section 2 of part Y of chapter 62 of the laws of 2006, is amended to  
30 read as follows:

31 (b) The aggregate amount of tax credits allowed pursuant to the  
32 authority of subdivision (b) of section 1201-a of the tax law in any  
33 calendar year shall be \$12.5 million in 2004 and 2005 and \$30 million in  
34 2006 through 2011. Such aggregate amount of credits shall be allocated  
35 by the mayor's office of film, [theater] THEATRE and broadcasting among  
36 taxpayers in order of priority based upon the date of filing an applica-  
37 tion for allocation of film production credit with such office. If the  
38 total amount of allocated credits applied for in any particular year  
39 exceeds the aggregate amount of tax credits allowed for such year under  
40 this section, such excess shall be treated as having been applied for on  
41 the first day of the subsequent year. IF THE AGGREGATE AMOUNT OF TAX  
42 CREDITS AVAILABLE IN ANY GIVEN YEAR REMAINS UNALLOCATED IN SUCH YEAR,  
43 SUCH CREDITS SHALL BE AVAILABLE FOR ALLOCATION IN A SUBSEQUENT YEAR.

44 S 3. Section 7 of part P of chapter 60 of the laws of 2004, amending  
45 the tax law relating to providing tax credits for certain costs incurred  
46 in film and television productions, is amended by adding two new subdi-  
47 visions (e) and (f) to read as follows:

48 (E) NOTWITHSTANDING ANY PROVISIONS TO THE CONTRARY, TAX CREDITS ALLO-  
49 CATED IN 2009 SHALL NOT EXCEED \$24 MILLION. IF THE TOTAL AMOUNT OF ALLO-  
50 CATED CREDITS APPLIED FOR IN 2009 REACHES \$24 MILLION, ADDITIONAL APPLI-  
51 CATIONS SHALL NOT BE ACCEPTED UNTIL ON OR AFTER JANUARY 1, 2010.

52 (F) NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION (B) OF THIS SECTION  
53 AND ANY OTHER PROVISIONS TO THE CONTRARY, AN ADDITIONAL AGGREGATE ANNUAL  
54 AMOUNT OF \$24 MILLION SHALL BE ALLOWED IN 2010 AND 2011. THE ADDITIONAL  
55 AGGREGATE ANNUAL AMOUNTS FOR 2010 AND 2011 SHALL BE ALLOCATED IN \$12  
56 MILLION INCREMENTS FROM JANUARY FIRST THROUGH JUNE THIRTIETH AND FROM

1 JULY FIRST THROUGH DECEMBER THIRTY-FIRST FOR EACH OF SUCH YEARS. IF THE  
2 TOTAL AMOUNT OF ALLOCATED CREDITS APPLIED FOR IN ANY OF SUCH SIX MONTH  
3 PERIODS REACHES THE ALLOWED ADDITIONAL AGGREGATE AMOUNT OF \$12 MILLION,  
4 ADDITIONAL APPLICATIONS SHALL NOT BE ACCEPTED UNTIL THE FIRST DAY OF THE  
5 NEXT SIX MONTH PERIOD WHICH HAS TAX CREDITS AVAILABLE FOR ALLOCATION.

6 S 4. This act shall take effect immediately and shall apply to taxable  
7 years beginning on or after January 1, 2009; provided further that this  
8 act shall apply to applications filed on or after January 1, 2009;  
9 provided, however, that the amendments to subdivision (b) of section  
10 1201-a of the tax law made by section one of this act and to subdivision  
11 (b) of section 7 of part P of chapter 60 of the laws of 2004 providing  
12 tax credits for certain costs incurred in film and television  
13 productions made by sections two and three of this act, shall not affect  
14 the expiration and repeal of such provisions and shall expire and be  
15 deemed repealed therewith.