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

7571

2011-2012 Regular Sessions

I N A S S E M B L Y

May 10, 2011

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

AN ACT to amend the tax law, in relation to the empire state film post production credit

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

Section 1. Paragraph 3 of subdivision (a) of section 31 of the tax law, as added by section 12 of part Q of chapter 57 of the laws of 2010, is amended to read as follows:

(3) A taxpayer shall not be eligible for the credit established by this section unless the qualified post production costs at a qualified post production facility meet or exceed seventy-five percent of the [total post production costs] QUALIFIED EXPENDITURES WITH RESPECT TO ANY ONE OR MORE OF THE FOLLOWING SUBPARAGRAPHS: (I) PICTURE AND SOUND POST PRODUCTION COSTS; (II) MUSIC; AND (III) VISUAL EFFECTS; AS THE CASE MAY BE, paid or incurred in the post production of the qualified film at any post production facility. The credit shall ONLY be allowed WITH RESPECT TO ANY QUALIFIED EXPENDITURES SPECIFIED IN A SUBPARAGRAPH OF THIS PARAGRAPH WHEN THE POST PRODUCTION COSTS SPECIFIED IN SUCH SUBPARAGRAPH MEETS OR EXCEEDS SUCH SEVENTY-FIVE PERCENT THRESHOLD for the taxable year in which the production of such qualified film is completed.

S 2. Paragraph 2 of subdivision (b) of section 31 of the tax law, as added by section 12 of part Q of chapter 57 of the laws of 2010, is amended and three new paragraphs 2-a, 2-b and 2-c are added to read as follows:

(2) "Post production costs" means ANY EXPENDITURE IN PICTURE AND SOUND POST PRODUCTION, MUSIC OR VISUAL EFFECTS IN CONNECTION WITH THE production of original content for a qualified film employing traditional, emerging and new workflow techniques used in post-production [for picture, sound and music editorial, rerecording and mixing, visual effects, graphic design, original scoring, animation, and musical compo-

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

LBD11454-01-1

sition]; but shall not include the editing of previously produced content for a qualified film.

(2-A) "PICTURE AND SOUND POST PRODUCTION" SHALL INCLUDE COSTS INCURRED IN PICTURE AND SOUND EDITORIAL, ASSEMBLY, RECORDING, RERECORDING, MIXING, TRANSFERS, RELATED EQUIPMENT AND FACILITY FEES, SCREENING, COLOR GRADING, COLOR CORRECTION SCANNING, FILM CLEANING, CONFORMING, AND LABORATORY SERVICES.

(2-B) "MUSIC" SHALL INCLUDE COSTS INCURRED IN ORIGINAL SCORING, MUSIC EDITORIAL, AND RELATED EQUIPMENT AND FACILITY FEES.

(2-C) "VISUAL EFFECTS" SHALL INCLUDE COSTS INCURRED IN GRAPHIC DESIGN, COMPOSITING, TRACKING, REMOVALS, ANIMATION, DATA ARCHIVING AND RENTALS.

S 3. This act shall take effect immediately.