

3376

2015-2016 Regular Sessions

I N A S S E M B L Y

January 22, 2015

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

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

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

1 Section 1. Paragraph 1 of subdivision (a) of section 24 of the tax
2 law, as amended by section 3 of part Q of chapter 57 of the laws of
3 2010, is amended to read as follows:
4 (1) Allowance of credit. A taxpayer which is a qualified film
5 production company, or a qualified independent film production company,
6 or which is a sole proprietor of or a member of a partnership which is a
7 qualified film production company or a qualified independent film
8 production company, and which is subject to tax under articles nine-A or
9 twenty-two of this chapter, shall be allowed a credit against such tax,
10 pursuant to the provisions referenced in subdivision [(c)] (E) of this
11 section, to be computed as [hereinafter] provided IN THIS SECTION.
12 S 2. Paragraph 2 of subdivision (b) of section 24 of the tax law, as
13 added by section 1 of part P of chapter 60 of the laws of 2004, is
14 amended and a new paragraph 9 is added to read as follows:
15 (2) "Production costs" means any costs for tangible property used and
16 services performed directly and predominantly in the production (includ-
17 ing pre-production and post production) of a qualified film.
18 "Production costs" shall not include [(i) costs for a story, script or
19 scenario to be used for a qualified film and (ii)] wages or salaries or
20 other compensation for writers, directors, including music directors,
21 producers and performers (other than background actors with no scripted
22 lines). WRITERS' FEES AND SALARIES SHALL BE ELIGIBLE PRODUCTION COSTS
23 SUBJECT TO THE PROVISIONS OF SUBDIVISION (C) OF THIS SECTION; PROVIDED,
24 HOWEVER, THAT FEES THAT ARE BASED ON DEFERRED, LEVERAGED OR PROFIT
25 PARTICIPATION COSTS, OR ARE IN EXCESS OF THOSE OTHERWISE PERMITTED BY

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

LBD04802-01-5

1 SUBDIVISION (C) OF THIS SECTION SHALL NOT BE ELIGIBLE PRODUCTION COSTS.
2 "Production costs" generally include technical and crew production
3 costs, such as expenditures for film production facilities, or any part
4 thereof, props, makeup, wardrobe, film processing, camera, sound record-
5 ing, set construction, lighting, shooting, editing and meals.

6 (9) "WRITER" MEANS A WRITER EMPLOYED OR RETAINED TO WRITE OR REVISE
7 SCRIPTS, SCREENPLAYS, TELEPLAYS, DIALOGUE, SKETCHES, ROUTINES OR
8 NARRATIONS.

9 S 3. Subdivisions (c), (d) and (e) of section 24 of the tax law are
10 relettered subdivisions (e), (f) and (g), respectively and two new
11 subdivisions (c) and (d) are added to read as follows:

12 (C) FOR A FEATURE FILM OR TELEVISION PRODUCTION, WRITERS' FEES AND
13 SALARIES SHALL BE ELIGIBLE COSTS; PROVIDED, HOWEVER, SUCH COSTS SHALL
14 NOT EXCEED FIFTY THOUSAND DOLLARS IN FEES OR SALARY PER WRITER PER QUAL-
15 IFIED FILM AND PROVIDED THAT SUCH WRITER IS A MINORITY GROUP MEMBER, AS
16 DEFINED BY SUBDIVISION EIGHT OF SECTION THREE HUNDRED TEN OF THE EXECU-
17 TIVE LAW, OR A WOMAN.

18 PROVIDED, FURTHER, THAT, NOTWITHSTANDING ANY OTHER PROVISION OF THIS
19 SECTION, A WRITER'S FEES AND SALARY SHALL BE ELIGIBLE FOR THE MAXIMUM
20 AMOUNT OF THE CREDIT GRANTED BY THIS SUBDIVISION, IF SUCH WRITER IS A
21 RESIDENT OF THIS STATE.

22 (D) FOR EACH TAX YEAR, NOT MORE THAN THREE MILLION FIVE HUNDRED THOU-
23 SAND DOLLARS IN TAX CREDITS FOR WRITERS' FEES AND SALARIES SHALL BE
24 GRANTED PURSUANT TO THIS SECTION. SUCH CREDITS SHALL ONLY BE AVAILABLE
25 FROM CREDITS ALLOWED FOR PRODUCTION COSTS PURSUANT TO THIS SECTION.

26 S 4. This act shall take effect on the one hundred twentieth day after
27 it shall have become a law and shall apply to the tax year in which it
28 takes effect and all subsequent tax years.