

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1435 Session of
2014

INTRODUCED BY FONTANA, HUGHES, SMITH, BREWSTER, COSTA, BOSCOLA
AND FARNESE, JUNE 18, 2014

REFERRED TO FINANCE, JUNE 18, 2014

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," in film production tax credit, further providing
11 for limitations.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Section 1707-D(b) of the act of March 4, 1971
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, amended
16 July 2, 2012 (P.L.751, No.85), is amended to read:

17 Section 1707-D. Limitations.

18 * * *

19 (b) Individual limitations.--The following shall apply:

20 (1) Except as set forth in paragraph (1.1), the
21 aggregate amount of film production tax credits awarded by
22 the department under section 1703-D(d) to a taxpayer for a

1 film may not exceed 25% of the qualified film production
2 expenses to be incurred.

3 (1.1) In addition to the tax credit under paragraph (1),
4 a taxpayer is eligible for a credit in the amount of 5% of
5 the qualified film production expenses incurred by the
6 taxpayer if the taxpayer:

7 (i) films a feature film, television film or
8 television series, which is intended as programming for a
9 national audience; and

10 (ii) films in a qualified production facility which
11 meets the minimum stage filming requirements.

12 (2) A taxpayer that has received a grant under 12
13 Pa.C.S. § 4106 (relating to approval) shall not be eligible
14 for a film production tax credit under this act for the same
15 film.

16 (3) In addition to the other limitations provided under
17 this subsection, a taxpayer that uses a qualified production
18 facility that satisfies the criteria under subsection (c) for
19 the production of a television series that is intended as
20 programming for a national audience and whose primary purpose
21 is the sale of commercial goods is subject to the following:

22 (i) The taxpayer is eligible for an individual tax
23 credit not to exceed of 1.5% of the maximum tax credit
24 provided under this article.

25 (ii) The taxpayer is not eligible for a tax credit
26 under this article if the taxpayer received a tax credit
27 under this article in at least three of the preceding
28 five years.

29 (iii) The taxpayer is not eligible for a tax credit
30 under this article if the taxpayer is domiciled in this

1 Commonwealth and incurred expenses in the production of
2 the following:

3 (A) A television commercial.

4 (B) Employee community programs.

5 (C) Public service announcements or programs.

6 * * *

7 Section 2. This act shall take effect in 60 days.