

Fiscal Estimate Narratives

COMM 2/7/2006

LRB Number	05-4176/1	Introduction Number	SB-563	Estimate Type	Original
Description Creating income and franchise tax credits for expenses related to film production services and for capital investments made by a film production company, requiring the exercise of rule-making authority, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Under the tax statutes, the bill requires Commerce to:

1. For the film production services credit, approve "accredited productions" as defined by the bill.
2. For the film production services credit, determine viable plans for the commercial distribution of finished productions.
3. For the film production services credit, determine "production expenditures" as defined by the bill.
4. For the film production services credit, receive and approve applications for tax credits from claimants.
5. Certify, for the film production company investment credit, that credits claimed are for expenses related to establishing a film production company in this state.

Commerce will be able to absorb these duties into its current workload and will incur no additional fiscal effect.

Long-Range Fiscal Implications