
ASSEMBLY BILL NO. 147—ASSEMBLYWOMAN CARLTON

FEBRUARY 11, 2015

JOINT SPONSOR: SENATOR FORD

Referred to Committee on Ways and Means

SUMMARY—Revises provisions relating to transferable tax credits to attract film and other productions to Nevada. (BDR 32-503)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to taxation; revising provisions governing the total amount of transferable tax credits which may be approved by the Office of Economic Development pursuant to applications submitted to the Office by a producer that produces a film, television or other media production in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Senate Bill No. 165 of the 77th Session of the Legislature (2013) established
2 provisions authorizing a producer that produces a film, television or other media
3 production in this State to apply, on or before December 31, 2017, to the Office of
4 Economic Development for a certificate of transferable tax credits and provided
5 that the Office could not approve transferable tax credits in an amount that
6 exceeded \$20,000,000 during any fiscal year. (NRS 360.759, 360.7594) The
7 provisions of Senate Bill No. 1 of the 28th Special Session of the Legislature
8 (2014) reduced the total amount of the transferable tax credits available for film and
9 other productions from \$20,000,000 during any fiscal year to a total amount of not
10 more than \$10,000,000. This bill restores the total amount of transferable tax
11 credits available to a producer that produces a film, television or other media
12 production to the amount originally authorized by Senate Bill No. 165.



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

Section 1. NRS 360.7594 is hereby amended to read as follows:

360.7594 1. Except as otherwise provided in this subsection, the Office of Economic Development shall not approve any application for transferable tax credits submitted pursuant to NRS 360.759:

(a) If approval of the application would cause the total amount of transferable tax credits approved pursuant to NRS 360.759 *for the current fiscal year* to exceed ~~[\$10,000,000.]~~ \$20,000,000. *If the Office does not approve \$20,000,000 of transferable tax credits pursuant to NRS 360.759 during any fiscal year, the remaining amount of transferable tax credits must be carried forward and made available for approval during the immediately following 2 fiscal years.*

(b) Received on or after January 1, 2018.

2. The transferable tax credits issued to any producer for any qualified production pursuant to NRS 360.759:

(a) Must not exceed a total amount of \$6,000,000; and

(b) Expire 4 years after the date on which the transferable tax credits are issued to the producer.

3. For the purposes of calculating qualified expenditures and production costs:

(a) The compensation payable to all producers who are Nevada residents must not exceed 10 percent of the portion of the total budget of the qualified production that was expended in or attributable to any expenses incurred in this State.

(b) The compensation payable to all producers who are not Nevada residents must not exceed 5 percent of the portion of the total budget of the qualified production that was expended in or attributable to any expenses incurred in this State.

(c) The compensation payable to any employee, independent contractor or any other person paid a wage or salary as compensation for providing labor services on the production of the qualified production must not exceed \$750,000.

Sec. 2. This act becomes effective on July 1, 2015, and expires by limitation on June 30, 2023.

