

SB1154/239034/1

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 1154
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and McFadden” and substitute “McFadden, and Young”; in line 6, after “employees;” insert “authorizing a Maryland small or independent film entity to qualify as a film production entity under certain circumstances;”; in line 9, after “credit;” insert “altering a certain audit requirement to apply only to a film production entity with total direct costs that exceed a certain amount;”; in line 12, after “activity;” insert “requiring the Secretary to make available a certain percent of the total amount of tax credits that the Secretary may approve in a fiscal year to Maryland small or independent film entities;”; and in line 14, after “issued;” insert “defining a certain term;”.

AMENDMENT NO. 2

On page 3, after line 4, insert:

“(4) “MARYLAND SMALL OR INDEPENDENT FILM ENTITY” MEANS A QUALIFIED FILM PRODUCTION ENTITY THAT:

(I) HAS BEEN INCORPORATED IN MARYLAND FOR AT LEAST 1 YEAR; AND

(II) EMPLOYS MARYLAND RESIDENTS AS AT LEAST 40% OF ITS WORKFORCE IN THE FILM PRODUCTION ACTIVITY.”;

and in lines 5, 8, 12, 13, and 17, strike “(4)”, “(5)”, “(6)”, “(7)”, and “(8)”, respectively, and substitute “**(5)**”, “**(6)**”, “**(7)**”, “**(8)**”, and “**(9)**”, respectively.

(Over)

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AMENDMENT NO. 3

On page 5, in line 10, strike “To” and substitute “EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, TO”; in line 14, strike “The” and substitute “FOR A FILM PRODUCTION ENTITY WITH TOTAL DIRECT COSTS THAT EXCEED \$250,000, THE”; and in line 28, strike “(f) and (g)” and substitute “(F) AND (H)”.

AMENDMENT NO. 4

On page 7, in line 2, strike “AND”; strike beginning with “FOR” in line 3 down through “\$30,000,000” in line 4 and substitute “FOR FISCAL YEAR 2019, \$15,000,000;

(V) FOR FISCAL YEAR 2020, \$20,000,000;

(VI) FOR FISCAL YEAR 2021, \$25,000,000; AND

(VII) FOR FISCAL YEAR 2022 AND EACH FISCAL YEAR THEREAFTER, \$30,000,000”;

and after line 11, insert:

“(4) (I) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE SECRETARY SHALL MAKE 10% OF THE CREDIT AMOUNT AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION AVAILABLE FOR MARYLAND SMALL OR INDEPENDENT FILM ENTITIES.

(II) IF THE TOTAL AMOUNT OF CREDITS APPLIED FOR BY MARYLAND SMALL OR INDEPENDENT FILM ENTITIES IS LESS THAN THE AMOUNT MADE AVAILABLE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE SECRETARY SHALL MAKE AVAILABLE THE UNUSED AMOUNT OF CREDITS FOR USE BY QUALIFIED FILM PRODUCTION ENTITIES.”.

AMENDMENT NO. 5

On page 9, in line 10, after “(H)” insert “(1) FOR A MARYLAND SMALL OR INDEPENDENT FILM ENTITY TO QUALIFY AS A FILM PRODUCTION ENTITY:”

(I) THE ESTIMATED TOTAL DIRECT COSTS INCURRED IN THE STATE SHALL EXCEED \$25,000; AND

(II) AT LEAST 50% OF THE FILMING OF THE FILM PRODUCTION ACTIVITY MUST OCCUR WITHIN THE STATE.

(2) THE SECRETARY SHALL DETERMINE THE TOTAL DIRECT COSTS THAT QUALIFY FOR THE TAX CREDIT AND ISSUE A TAX CREDIT CERTIFICATE TO A MARYLAND SMALL OR INDEPENDENT FILM ENTITY FOR 25% OF THE TOTAL DIRECT COSTS THAT QUALIFY FOR THE TAX CREDIT, NOT TO EXCEED \$125,000.

(I)”.