

NC S 578, Substituted

North Carolina

SUMMARY: Reduces the franchise tax and to modify film grant limits.

Legislative History and Analysis Changes in Bill text reflected as:

~~Text Deleted~~

Text Added

~~Text Vetoed~~

Current Legislative Status 04/03/2019 FILED.

04/04/2019 INTRODUCED.

04/04/2019 To SENATE Committee on RULES AND OPERATIONS OF THE SENATE.

10/17/2019 Withdrawn from SENATE Committee on RULES AND OPERATIONS OF THE SENATE.

10/17/2019 Re-referred to SENATE Committee on FINANCE.

10/22/2019 From SENATE Committee on FINANCE: Reported favorably with substitute. 10/22/2019 In SENATE. FINANCE committee substitute adopted on SENATE floor.

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session: North Carolina General Assembly of North Carolina - Session of 2019 cite: 2019 NC S 578

Substituted October 22, 2019 Sawyer

GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2019

S 2

SENATE BILL 578

Finance Committee Substitute Adopted 10/22/19 (Public)

Short Title: Reduce Franchise Tax/Expand Film Grants. Sponsors:

Referred to:

April 4, 2019

A BILL TO BE ENTITLED

AN ACT TO REDUCE THE FRANCHISE TAX AND TO MODIFY FILM GRANT LIMITS.

The General Assembly of North Carolina enacts:

FRANCHISE TAX CHANGES

***** TEXT OMITTED, DOES NOT PERTAIN TO FILM *****

MODIFY FILM GRANT

SECTION 2.

(a) G.S. 143B-437.02A reads as rewritten:

”Section 143B-437.02A. The Film and Entertainment Grant Fund.

(a) Creation and Purpose of Fund. - There is created in the Department of Commerce a special, non reverting account to be known as the Film and Entertainment Grant Fund to provide funds to encourage the production of motion pictures, television shows, movies for television, productions intended for on-line distribution, and commercials and to develop the filmmaking industry within the State. The Department of Commerce shall adopt guidelines providing for the administration of the program. Those guidelines may provide for the Secretary to award the grant proceeds over a period of time, not to exceed three years. Those guidelines shall include the following provisions, which shall apply to each grant from the account:

(1) The funds are reserved for a production on which the production company has qualifying expenses of at least the following:

a. For a feature-length film:

1. ~~Three million dollars (\$3,000,000)~~, *One million five hundred thousand dollars (\$1,500,000)*, if for theatrical viewing.
2. ~~One million dollars (\$1,000,000)~~, *Five hundred thousand dollars (\$500,000)*, if a movie for television.

b. For a television series, ~~one million dollars (\$1,000,000)~~ *five hundred thousand dollars (\$500,000)* per episode.

c. For a commercial for theatrical or television viewing or on-line distribution, two hundred fifty thousand dollars (\$250,000).

(2) The funds are not used to provide a grant in excess of any of the following:

...

b. An amount more than seven million dollars (\$7,000,000) for a feature-length film, more than ~~twelve fifteen~~ million dollars ~~(\$12,000,000)~~ *(\$15,000,000)* for a single season of a television series, or two hundred fifty thousand dollars (\$250,000) for a commercial for theatrical or television viewing or on-line distribution.

...

(d1) Agreement Binding. - An agreement awarding a grant pursuant to this section for which the production company is entitled to payment for performance under the agreement is a binding obligation of the State and is not subject to State funds being appropriated by the General Assembly.

....

SECTION 2.

(b) This section is effective when it becomes law and applies to grants made on or after that date.

EFFECTIVE DATE

SECTION 3. Except as otherwise provided, this act is effective when it becomes law.