

Committee Action:
Do Pass _____
Amend & Do Pass _____
Other _____

Assembly Committee on Taxation

This measure may be considered for action during today's work session.

May 14, 2015

SENATE BILL 94 (1ST REPRINT)

Makes various changes relating to transferable tax credits for film and other productions. (BDR 32-58)

Sponsored by: Senator Ford
Date Heard: April 30, 2015
Fiscal Impact: Effect on Local Government: No.
Effect on the State: Yes.

Summary

Senate Bill 94 (1st Reprint) makes various changes to the transferable tax credit program for eligible film and other productions approved by the Legislature pursuant to Senate Bill 165 of the 2013 Session. The bill removes the prospective expiration date of the program of June 20, 2023, that was originally enacted in 2013, and allows the Governor's Office of Economic Development to approve applications for tax credits each year to the extent that the money for such purpose is approved by the Legislature. If the Office does not approve the full amount of credits authorized by the Legislature in any given fiscal year, the remaining amount may be carried forward and made available for approval during the immediately following two fiscal years.

Senate Bill 94 makes additional changes to the program, including the following:

- Clarifying the definitions of "above-the-line personnel" and "below-the-line personnel;"
- Creating a definition for the term "qualified direct production expenditures" for the purposes of calculating the transferable tax credit;
- Specifying that these qualified direct production expenditures may include rentals and leases of tangible personal property used in the production;
- Allowing game shows and certain reality shows to become eligible for the credits;
- Increasing the amount of credit that may be awarded for productions where more than 50 percent of the below-the-line personnel are Nevada residents or where more than 50 percent of the filming days occur in certain counties;
- Reducing the amount of wages and salaries for below-the-line personnel who are not residents of Nevada that may be used for calculating the tax credits in calendar years 2015 and 2016; and
- Specifying that wages and salaries for below-the-line personnel who are not residents of Nevada may not be included in the calculation for the tax credits on or after January 1, 2017.

Testimony

Introductory remarks and testimony in support of Senate Bill 94 was provided by Senator Aaron Ford, Senate District No. 11.

Additional testimony in support of Senate Bill 94 was received from the following individuals:

- James “JR” Reid, President, JR Lighting and Grip
- Tray Abney, Director of Government Relations, The Chamber of Reno, Sparks, and Northern Nevada
- Randy Soltero, representing the International Alliance of Theatrical Stage Employees
- Bryan Wachter, Director of Public and Governmental Affairs, Retail Association of Nevada
- Joe Guild, representing the Motion Picture Association of America
- Jason Miller, Chief Operating Officer, Downtown Films Las Vegas
- Jon Leleu, representing Scientific Games Corporation
- Darrin Miller, member, Screen Actors Guild
- Joshua Cohen, Owner, Cohencidence Productions, LLC
- Paul Moradhkan, Vice President of Government Affairs, Las Vegas Metro Chamber of Commerce

Testimony in opposition to Senate Bill 94 was provided by Victor Joecks, Executive Vice President, Nevada Policy Research Institute.

Amendments

No amendments were proposed for the bill.