

SB0172/423722/1

BY: Delegate Schulz

AMENDMENTS TO SENATE BILL 172
(Third Reading File Bill – Committee Reprint)

AMENDMENT NO. 1

On page 2, in line 5, after “project;” insert “altering certain criteria for a certain film production activity income tax credit to allow certain small business film production entities to qualify;”.

On page 5, after line 26, insert:

“BY repealing and reenacting, with amendments,

Article – Tax – General

Section 10-730(c)

Annotated Code of Maryland

(2010 Replacement Volume and 2013 Supplement)”.

AMENDMENT NO. 2

On page 27, after line 7, insert:

“Article – Tax – General

10-730.

(c) (1) Before beginning a film production activity, a film production entity shall submit to the Department an application to qualify as a film production entity.

(2) The application shall describe the anticipated film production activity, including:

(i) the projected total budget;

(Over)

(ii) the estimated number of employees and total wages to be paid; and

(iii) the anticipated dates for carrying out the major elements of the film production activity.

(3) **[To] EXCEPT AS PROVIDED IN PARAGRAPH (7) OF THIS SUBSECTION, TO** qualify as a film production entity, the estimated total direct costs incurred in the State must exceed \$500,000.

(4) The application shall include any other information required by the Secretary.

(5) The Secretary may require the information provided in an application to be verified by an independent auditor selected and paid for by the film production entity seeking certification.

(6) The Secretary shall:

(i) determine if the film production entity qualifies for the credit under this section; and

(ii) notify the Comptroller of the estimated amount of total direct costs and the taxable year the credit will be claimed.

(7) FOR 5% OF THE AGGREGATE AMOUNT OF TAX CREDITS AUTHORIZED UNDER THIS SECTION, THE SECRETARY SHALL APPROVE APPLICATIONS FOR FILM PRODUCTION ENTITIES THAT ARE SMALL BUSINESS FILM PRODUCTION ENTITIES THAT HAVE INCURRED TOTAL DIRECT COSTS IN THE STATE OF LESS THAN \$500,000.”.