

House Bill 505

By: Representatives Momtahan of the 17th, Powell of the 32nd, Ridley of the 6th, Tarvin of the 2nd, Setzler of the 35th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-7-40.26 of the Official Code of Georgia Annotated, relating to
2 an income tax credit for film, gaming, video, or digital production in Georgia, so as to
3 provide that certain expenditures incurred by firearm manufacturers in the production of
4 firearms in this state shall be eligible for such tax credit; to revise definitions; to provide for
5 related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 48-7-40.26 of the Official Code of Georgia Annotated, relating to an income
9 tax credit for film, gaming, video, or digital production in Georgia, is amended by revising
10 paragraphs (7), (9), (11), and (13) of subsection (b) as follows:

11 "(7) 'Production company' means:

12 (A) A a company, other than a qualified interactive entertainment production company,
13 primarily engaged in qualified production activities which have been approved by the
14 Department of Economic Development; or

15 (B) A manufacturer of firearms engaged in qualified production activities.

16 This term shall not mean or include any form of business owned, affiliated, or controlled,
17 in whole or in part, by any company or person which is in default on any tax obligation
18 of the state, or a loan made by the state or a loan guaranteed by the state."

19 "(9) 'Qualified Georgia promotion' means a qualified promotion of this state approved
20 by the Department of Economic Development consisting of a:

21 (A) Qualified movie production which includes a five-second long static or animated
22 logo that promotes Georgia in the end credits before the below-the-line crew crawl for
23 the life of the project and which includes a link to Georgia on the project's web page;

24 (B) Qualified TV production which includes an embedded five-second long Georgia
 25 promotion during each broadcast worldwide for the life of the project and which
 26 includes a link to Georgia on the project's web page;

27 (C) Qualified music video which includes the Georgia logo at the end of each video
 28 and within online promotions; ~~or~~

29 (D) Qualified interactive game which includes a 15 second long Georgia advertisement
 30 in units sold and embedded in online promotions; or

31 (E) Firearm produced in this state which bears a logo that promotes Georgia
 32 permanently etched in the receiver of such firearm."

33 "(11) 'Qualified production activities' means the production of:

34 (A) Firearms in this state; or

35 (B) New new film, video, or digital projects produced in this state and approved by the
 36 Department of Economic Development, including only the following: feature films,
 37 series, pilots, movies for television, televised commercial advertisements, music videos,
 38 interactive entertainment, prereleased interactive games, or sound recording projects
 39 used in feature films, series, pilots, or movies for television. Such activities shall
 40 include projects recorded in this state, in whole or in part, in either short or long form,
 41 animation and music, fixed on a delivery system which includes without limitation film,
 42 videotape, computer disc, laser disc, and any element of the digital domain, from which
 43 the program is viewed or reproduced, and which is intended for multimarket
 44 commercial distribution via theaters, video on demand, direct to DVD, digital platforms
 45 designed for the distribution of interactive games, licensing for exhibition by individual
 46 television stations, groups of stations, networks, advertiser supported sites, cable
 47 television stations, or public broadcasting stations. Such term shall not include the
 48 coverage of news and athletic events, local interest programming, instructional videos,
 49 corporate videos, or projects not shot, recorded, or originally created in Georgia."

50 "(13) 'State certified production' means a production engaged in qualified production
 51 activities which have been approved by the Department of Economic Development in
 52 accordance with regulations promulgated pursuant to this Code section, or the production
 53 or manufacture of firearms through qualified production activities that are certified by the
 54 Department of Economic Development as occurring within this state. In the instance of
 55 a 'work for hire' in which one production company or qualified interactive entertainment
 56 production company hires another production company or qualified interactive
 57 entertainment production company to produce a project or contribute elements of a
 58 project for pay, the hired company shall be considered a service provider for the hiring
 59 company, and the hiring company shall be entitled to the film tax credit."

60

SECTION 2.

61 All laws and parts of laws in conflict with this Act are repealed.