**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY AMENDING SECTION 1-30-80, RELATING TO THE FUNCTIONS AND DUTIES OF THE SOUTH CAROLINA DEPARTMENT OF PARKS, RECREATION AND TOURISM, SO AS TO PROVIDE ADDITIONAL USES OF FUNDS AVAILABLE TO THE DEPARTMENT FOR THE FILM MARKETING PROGRAM OF THE SOUTH CAROLINA FILM COMMISSION; BY ADDING SECTION 12-62-25, SO AS TO ALLOW THE SOUTH CAROLINA DEPARTMENT OF PARKS, RECREATION AND TOURISM TO IMPLEMENT AN APPLICATION FEE FOR MOTION PICTURE INCENTIVES ADMINISTERED BY THE SOUTH CAROLINA FILM COMMISSION, AND TO ALLOW THE DEPARTMENT TO RETAIN THE FEE REVENUE FOR THE USE OF THE COMMISSION IN THE ADMINISTRATION OF THE SOUTH CAROLINA MOTION PICTURE INCENTIVE ACT; TO AMEND SECTIONS 12-62-50 AND 12-62-60, RELATING TO THE MAXIMUM REBATE AUTHORIZED FOR QUALIFYING MOTION PICTURE PRODUCTION COMPANIES FOR THEIR PAYROLLS SUBJECT TO STATE INCOME TAX WITHHOLDING AND THEIR OTHER IN-STATE EXPENDITURES; AND TO AMEND SECTION 12-62-100, SO AS TO REMOVE THE REFERENCE TO “RULES”.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 1‑30‑80(B)(2) of the 1976 Code is amended to read:

“(B)(2) The South Carolina Film Commission as established in this section as a division of the Department of Parks, Recreation and Tourism and transferred to it shall ensure that funds made available to film projects through the South Carolina Film Commission are budgeted and spent so as to further the following objectives:

(a) stimulation of economic activity to develop the potentialities of the State through marketing and special events;

(b) conservation, restoration, and development of the natural and physical, the human and social, and the economic and productive resources of the State;

(c) promotion of a system of transportation for the State, through development and expansion of the highway, railroad, port, waterway, and airport systems;

(d) promotion and correlation of state and local activity in planning public works projects;

(e) promotion of public interest in the development of the State through cooperation with public agencies, private enterprises, and charitable and social institutions;

(f) encouragement of industrial development, private business, commercial enterprise, agricultural production, transportation, and the utilization and investment of capital within the State;

(g) assistance in the development of existing state and interstate trade, commerce, and markets for South Carolina goods and in the removal of barriers to the industrial, commercial, and agricultural development of the State;

(h) assistance in ensuring stability in employment, increasing the opportunities for employment of the citizens of the State, devising ways and means to raise the living standards of the people of the State;

(i) enhancement of the general welfare of the people; ~~and~~

(j) encouragement and consideration as appropriate so as to consider race, gender, and other demographic factors to ensure nondiscrimination, inclusion, and representation of all segments of the State to the greatest extent possible~~.~~;

(k) to develop a film crew base in this State;

(l) to develop ally support in the film industry in this State; and

(m) assistance with auditing and legal services expenses associated with Chapter 62 of Title 12, the South Carolina Motion Picture Incentive Act.”

SECTION 2. Chapter 62, Title 12 of the 1976 Code is amended by adding:

“Section 12‑62‑25. The director of the department may impose an application fee of five hundred dollars for the motion picture incentive programs provided pursuant to this chapter. The department may retain and expend the funds derived from this application fee in order to pay the expenses of administration, data collection, credit analysis, cost benefit analysis, reporting and auditing, and other obligations imposed on the department pursuant to this chapter and Section 1‑30‑80(B).”

SECTION 3. Section 12‑62‑50(A)(1) of the 1976 Code is amended to read:

“(A)(1) The South Carolina Film Commission may rebate to a motion picture production company a portion of the South Carolina payroll of the employment of persons subject to South Carolina income tax withholdings in connection with production of a motion picture. The rebate may not exceed ~~fifteen~~ twenty percent of the total aggregate South Carolina payroll for persons subject to South Carolina income tax withholdings employed in connection with the production when total production costs in South Carolina equal or exceed one million dollars during the taxable year. The rebates in total may not annually exceed ten million dollars and shall come from the state’s general fund. For purposes of this section, ‘total aggregate payroll’ does not include the salary of an employee whose salary is equal to or greater than one million dollars for each motion picture.”

SECTION 4. Section 12‑62‑60(A)(1) of the 1976 Code is amended to read:

“(A)(1) An amount equal to twenty‑six percent of the general fund portion of admissions tax collected by the State of South Carolina for the previous fiscal year must be funded annually by September first to the department for the exclusive use of the South Carolina Film Commission. The department may rebate to a motion picture production company up to ~~fifteen~~ thirty percent of the expenditures made by the motion picture production company in the State if the motion picture production company has a minimum in‑state expenditure of one million dollars. The distribution of rebates may not exceed the amount annually funded to the department for the South Carolina Film Commission from the admissions tax collected by the State.”

SECTION 5. Section 12‑62‑100 of the 1976 Code is amended to read:

“Section 12‑62‑100. To the extent not already provided, the department may ~~adopt rules and~~ promulgate regulations to carry out the intent and purposes of this chapter.”

SECTION 6. This act takes effect upon approval by the Governor.

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