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COMMITTEE AMENDMENT ADOPTED

April 10, 2013

**S. 163**

Introduced by Senators Campbell, McGill, O’Dell, Cleary, Ford and Alexander

S. Printed 4/10/13--S. [SEC 4/11/13 3:13 PM]

Read the first time January 8, 2013.

**A** **BILL**

TO AMEND SECTION 12-62-50 OF THE 1976 CODE, RELATING TO THE TAX REBATE TO A MOTION PICTURE PRODUCTION COMPANY BY THE SOUTH CAROLINA FILM COMMISSION, TO PROVIDE THAT THE REBATE MAY NOT EXCEED TWENTY PERCENT OF THE TOTAL AGGREGATE PAYROLL FOR PERSONS SUBJECT TO INCOME TAX WITHHOLDINGS OF SOUTH CAROLINA AND MAY NOT EXCEED TWENTY-FIVE PERCENT FOR RESIDENTS OF SOUTH CAROLINA AND FOR PERSONS EMPLOYED WITH THE PRODUCTION WHEN TOTAL PRODUCTION COSTS IN THIS STATE EQUAL OR EXCEED ONE MILLION DOLLARS DURING THE TAXABLE YEAR; AND TO AMEND SECTION 12-62-60, RELATING TO REBATES TO MOTION PICTURE PRODUCTION COMPANIES, TO PROVIDE THAT THE DEPARTMENT MAY REBATE UP TO THIRTY PERCENT OF THE EXPENDITURES IN SOUTH CAROLINA IF THERE IS A MINIMUM IN‑STATE EXPENDITURE OF ONE MILLION DOLLARS.

Amend Title To Conform

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

SECTION 1. 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, and may not exceed twenty-five percent for South Carolina residents, for persons 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 2. 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 3. Chapter 62, Title 12 of the 1976 Code is amended by adding:

“Section 12‑62‑25. A motion picture production company may not receive exemptions from taxes pursuant to this chapter for motion pictures that are rated NC‑17 by the Motion Picture Association of America. A motion picture production company that receives exemptions from taxes pursuant to this chapter for a motion picture that receives a rating of NC‑17 after the exemption has been claimed must remit to the Department of Revenue an amount equal to the exemption received.”

SECTION 4. This act takes effect upon approval by the Governor.

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