**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑62‑110 SO AS TO PROVIDE THAT ANY FUNDS COMMITTED TO FILM PROJECTS MUST BE CARRIED FORWARD FROM THE PREVIOUS YEAR AND USED FOR THE SAME PURPOSE, AND THAT ANY UNCOMMITTED FUNDS MUST BE CARRIED FORWARD AND USED FOR WAGE AND SUPPLIER REBATE FUNDS; TO AMEND SECTION 12‑62‑50, RELATING TO TAX REBATES TO A MOTION PICTURE COMPANY, SO AS TO INCREASE THE MAXIMUM ANNUAL AMOUNT OF REBATES TO TWENTY MILLION DOLLARS; AND TO AMEND SECTION 12‑62‑60, RELATING TO ADMISSIONS TAX COLLECTIONS FUNDING THE SOUTH CAROLINA FILM COMMISSION, SO AS TO INCREASE THE PERCENTAGE DEDICATED TO THE COMMISSION TO FIFTY PERCENT OF THE GENERAL FUND PORTION OF THE ADMISSIONS TAX.

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

SECTION 1. Chapter 62, Title 12 of the 1976 Code is amended by adding:

“Section 12‑62‑110. (A) Any funds committed to film projects pursuant to this chapter must be carried forward from the previous year and used for the same purpose. Any uncommitted funds must be carried forward from the previous year and must be used for wage and supplier rebate funds pursuant to this chapter and must not be used for any other purpose.

(B) Any rebates awarded by the South Carolina Film Office may be paid without distinction of the source of the funds.”

SECTION 2. A. Section 12‑62‑50(A)(1) of the 1976 Code is amended to read:

“(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 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~~ twenty 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.”

B. This SECTION takes effect upon approval by the Governor and first applies to tax years beginning after 2021.

SECTION 3. A. Section 12‑62‑60(A)(1) of the 1976 Code is amended to read:

“(1) An amount equal to ~~twenty‑six~~ fifty 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 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.”

B. This SECTION takes effect July 1, 2022.

SECTION 4. Except where provided otherwise, this act takes effect upon approval by the Governor.

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