

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/SCS/Senate Bill No. 10, Page 18, Section 67.5060, Line 360,

2 by inserting after all of said line the following:

3 "135.750. 1. This section shall be known and may be
4 referred to as the "Show MO Act".

5 2. As used in this section, the following terms mean:

6 (1) "Above-the-line individual", any individual hired
7 or credited on screen for a qualified motion media
8 production project as any type of producer, principal cast
9 that is at a Screen Actors Guild Schedule F and above
10 payment rate, screenwriter, and the director;

11 (2) "Qualified motion media production project", any
12 film or series production, including videos, commercials,
13 video games, webisodes, music videos, content-based mobile
14 applications, virtual reality, augmented reality, multi-
15 media, and new media, as well as standalone visual effects
16 and postproduction for such motion media production project,
17 as approved by the department of economic development and
18 the office of the Missouri film commission, that features a
19 statement and logo designated by the department of economic
20 development in the credits of the completed production
21 indicating that the project was filmed in Missouri and that
22 is under thirty minutes in length with expected qualifying
23 expenses in excess of fifty thousand dollars or is over
24 thirty minutes in length with expected qualifying expenses
25 in excess of one hundred thousand dollars. Regardless of

26 the production costs, qualified motion media project shall
27 not include any:

28 (a) News or current events programming;

29 (b) Talk show;

30 (c) Production produced primarily for industrial,
31 corporate, or institutional purposes, and for internal use;

32 (d) Sports event or sports program;

33 (e) Gala presentation or awards show;

34 (f) Infomercial or any production that directly
35 solicits funds;

36 (g) Political ad;

37 (h) Production that is considered obscene, as defined
38 in section 573.010;

39 (3) "Qualifying expenses", the sum of the total amount
40 spent in this state for the following by a production
41 company in connection with a qualified motion media
42 production project:

43 (a) Goods and services leased or purchased by the
44 production company. For goods with a purchase price of
45 twenty-five thousand dollars or more, the amount included in
46 qualifying expenses shall be the purchase price less the
47 fair market value of the goods at the time the production is
48 completed;

49 (b) Compensation and wages paid by the production
50 company on which the production company remitted withholding
51 payments to the department of revenue under chapter 143.
52 For purposes of this section, compensation and wages paid to
53 all above-the-line individuals shall be limited to twenty-
54 five percent of the overall qualifying expenses;

55 (4) "Tax credit", a credit against the tax otherwise
56 due under chapter 143, excluding withholding tax imposed by
57 sections 143.191 to 143.265, or otherwise due under chapter
58 148;

59 (5) "Taxpayer", any individual, partnership, or
60 corporation as described in section 143.441, 143.471, or
61 section 148.370 that is subject to the tax imposed in
62 chapter 143, excluding withholding tax imposed by sections
63 143.191 to 143.265, or the tax imposed in chapter 148 or any
64 charitable organization which is exempt from federal income
65 tax and whose Missouri unrelated business taxable income, if
66 any, would be subject to the state income tax imposed under
67 chapter 143.

68 3. (1) For all tax years beginning on or after
69 January 1, 2023, a taxpayer shall be allowed a tax credit
70 equal to twenty percent of qualifying expenses.

71 (2) An additional five percent may be earned for
72 qualifying expenses if at least fifty percent of the
73 qualified motion media production project is filmed in
74 Missouri.

75 (3) An additional five percent may be earned for
76 qualifying expenses if at least fifteen percent of the
77 qualified motion media production project that is filmed in
78 Missouri takes place in a rural or blighted area in Missouri.

79 (4) An additional five percent may be earned for
80 qualifying expenses if at least three departments of the
81 qualified motion media production hire a Missouri resident
82 ready to advance to the next level in a specialized craft
83 position or learn a new skillset.

84 (5) An additional five percent may be earned for
85 qualifying expenses if the department of economic
86 development determines that the script of the qualified
87 motion media production project positively markets a city or
88 region of the state, the entire state, or a tourist
89 attraction located in the state, and the qualified motion
90 media production provides no less than five high resolution
91 photographs containing cast with the rights cleared for

92 promotional use by the Missouri film commission, accompanied
93 by a list with the title of production, location, names, and
94 titles of the individuals shown in the photography and
95 photographer credit.

96 (6) The total dollar amount of tax credits authorized
97 pursuant to subdivision (1) of this subsection shall be
98 increased by ten percent for qualified film production
99 projects located in a county of the second, third, or fourth
100 class.

101 (7) Activities qualifying a taxpayer for the tax
102 credit pursuant to this subsection shall be approved by the
103 office of the Missouri film commission and the department of
104 economic development.

105 4. A qualified motion media production project shall
106 not be eligible for tax credits pursuant to this section
107 unless such project employs at least the following number of
108 Missouri registered apprentices or veterans residing in
109 Missouri with transferable skills:

110 (1) If the qualifying expenses are less than five
111 million dollars, two;

112 (2) If the qualifying expenses are at least five
113 million dollars but less than ten million dollars, three;

114 (3) If the qualifying expenses are at least ten
115 million dollars but less than fifteen million dollars, six;
116 or

117 (4) If the qualifying expenses are at least fifteen
118 million dollars, eight.

119 5. Taxpayers shall apply for the motion media
120 production tax credit by submitting an application to the
121 department of economic development, on a form provided by
122 the department. As part of the application, the expected
123 qualifying expenses of the qualified motion media production
124 project shall be documented. In addition, the application

125 shall include an economic impact statement, showing the
126 economic impact from the activities of the qualified motion
127 media production project. Such economic impact statement
128 shall indicate the impact on the region of the state in
129 which the qualified motion media production or production-
130 related activities are located and on the state as a whole.
131 Final applications shall be accompanied by a report by a
132 certified public accountant licensed by the state of
133 Missouri, prepared at the expense of the applicant,
134 attesting that the amounts in the final application are
135 qualifying expenses.

136 6. For all tax years beginning on or after January 1,
137 2023, the total amount of tax credits authorized by this
138 section for film production shall not exceed a total of
139 eight million dollars per year, and the total amount of all
140 tax credits authorized by this section for series production
141 shall not exceed a total of eight million dollars per year.
142 Taxpayers may carry forward unused credits for up to five
143 tax periods, provided all such credits shall be claimed
144 within ten tax periods following the tax period in which the
145 qualified motion media production or production-related
146 activities for which the credits are certified by the
147 department occurred.

148 7. Notwithstanding any provision of law to the
149 contrary, any taxpayer may sell, assign, exchange, convey or
150 otherwise transfer tax credits allowed in subsection 3 of
151 this section. The taxpayer acquiring the tax credits may
152 use the acquired credits to offset the tax liabilities
153 otherwise imposed by chapter 143, excluding withholding tax
154 imposed by sections 143.191 to 143.265, or chapter 148.
155 Unused acquired credits may be carried forward for up to
156 five tax periods, provided all such credits shall be claimed
157 within ten tax periods following the tax period in which the

158 qualified motion media production or production-related
159 activities for which the credits are certified by the
160 department occurred.

161 8. The tax credit authorized by this section shall be
162 considered a business recruitment tax credit, as defined in
163 section 135.800, and shall be subject to the provisions of
164 sections 135.800 to 135.830.

165 9. The department of economic development may adopt
166 such rules, statements of policy, procedures, forms, and
167 guidelines as may be necessary to implement the provisions
168 of this section. Any rule or portion of a rule, as that
169 term is defined in section 536.010, that is created under
170 the authority delegated in this section shall become
171 effective only if it complies with and is subject to all of
172 the provisions of chapter 536 and, if applicable, section
173 536.028. This section and chapter 536 are nonseverable and
174 if any of the powers vested with the general assembly
175 pursuant to chapter 536 to review, to delay the effective
176 date, or to disapprove and annul a rule are subsequently
177 held unconstitutional, then the grant of rulemaking
178 authority and any rule proposed or adopted after August 28,
179 2023, shall be invalid and void.

180 10. [Under section 23.253 of the Missouri sunset act:

181 (1) The provisions of the program authorized under
182 this section shall automatically sunset on December 31,
183 2029, unless reauthorized by an act of the general assembly;
184 and

185 (2) If such program is reauthorized, the program
186 authorized under this section shall automatically sunset on
187 December thirty-first, twelve years after the effective date
188 of the reauthorization of this section; and

189 (3) This section shall terminate on September first of
190 the calendar year immediately following the calendar year in

191 which the program authorized under this section is sunset;
192 and

193 (4) The provisions of this subsection shall not be
194 construed to limit or in any way impair the department's
195 ability to redeem tax credits authorized on or before the
196 date the program authorized pursuant to this section
197 expires, or a taxpayer's ability to redeem such tax credits.

198 11. (1) Notwithstanding the provisions of subsection
199 10 of this section to the contrary,] the provisions of this
200 section shall automatically terminate and expire one year
201 after the department of economic development determines that
202 all other state and local governments in the United States
203 of America have terminated or let lapse their tax credit or
204 other governmental incentive program for the film production
205 industry, regardless of whether such credits or programs are
206 now in effect or first commence after August 28, 2023. The
207 department of economic development shall notify the revisor
208 of statutes upon the department's determination that the tax
209 credit authorized by this section shall terminate pursuant
210 to this subsection.

211 (2) The provisions of this subsection shall not be
212 construed to limit or in any way impair the ability of any
213 taxpayer that has met the requirements in this section prior
214 to the termination of this section to participate in the
215 program authorized under this section. The provisions of
216 this section shall not be construed to limit or in any way
217 impair the department of revenue's ability to redeem tax
218 credits qualified for on or before the date the program
219 authorized pursuant to this section expires."; and

220 Further amend the title and enacting clause accordingly.