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REVISOR

State of Minnesota

HOUSE OF REPRESENTATIVES H. F. No. 4590

NINETY-SECOND SESSION

Authored by Lislegard and Ecklund The bill was read for the first time and referred to the Committee on Taxes 03/24/2022

1.1	A bill for an act
1.2	relating to taxation; modifying the film production credit; amending Minnesota Statutes 2021 Supplement, section 116U.27, subdivisions 1, 2.
1.4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.5	Section 1. Minnesota Statutes 2021 Supplement, section 116U.27, subdivision 1, is
1.6	amended to read:
1.7	Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
1.8	the meanings given.
1.9	(b) "Allocation certificate" means a certificate issued by the commissioner to a taxpayer
1.10	upon receipt of an initial application for a credit for a project that has not yet been completed.
1.11	(c) "Application" means the application for a credit under subdivision 4.
1.12	(d) "Commissioner" means the commissioner of employment and economic development.
1.13	(e) "Credit certificate" means a certificate issued by the commissioner upon submission
1.14	of the cost verification report in subdivision 4, paragraph (e).
1.15	(f) "Eligible production costs" means eligible production costs as defined in section
1.16	116U.26, paragraph (b), clause (1), incurred in Minnesota that are directly attributable to
1.17	the production of a film project in Minnesota.
1.18	(g) "Film" has the meaning given in section 116U.26, paragraph (b), clause (2).
1.19	(h) "Project" means a film:
1.20	(1) that includes the promotion of Minnesota;

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2.1	(2) for which the taxpayer has expended at least \$1,000,000 in the taxable year any
2.2	consecutive twelve-month period for eligible production costs, provided that the taxpayer
2.3	designates the months used for the period to the commissioner and does not designate a
2.4	month previously designated; and
2.5	(3) to the extent practicable, that employs Minnesota residents.
2.6	(i) "Promotion of Minnesota" or "promotion" means visible display of a static or animated
2.7	logo, approved by the commissioner and lasting approximately five seconds, that promotes
2.8	Minnesota within its presentation in the end credits before the below-the-line crew crawl
2.9	for the life of the project.
2.10	EFFECTIVE DATE. This section is effective for taxable years beginning after December
2.11	<u>31, 2021.</u>
2.12	Sec. 2. Minnesota Statutes 2021 Supplement, section 116U.27, subdivision 2, is amended
2.13	to read:
2.14	Subd. 2. Credit allowed. A taxpayer is eligible for a credit up to 25 percent of any
2.15	eligible production costs paid in a taxable year. A taxpayer may only claim a credit if the
2.16	taxpayer was issued a credit certificate under subdivision 4.
2.17	EFFECTIVE DATE. This section is effective for taxable years beginning after December
2.18	<u>31, 2021.</u>