



OKLAHOMA'S FILM INDUSTRY COFFEE & CONVERSATION

CURRENT FILM LEGISLATION

SB1442

Senator Roger Thompson

2300 N. Lincoln Blvd., Room 537
Oklahoma City, OK 73105
(405) 521-5588

Bill Summary

SB 1442 modifies the term "high impact production" within the Compete with Canada Film Act to provide the Oklahoma Film and Music Office with the authority to set additional requirements relating to an individual production which otherwise meets the \$50 million expenditure threshold. The measure sets the percentage rebate as a cap rather than a specific percentage and modifies the manner in which the \$8 million annual cap placed on the credit is applied.

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HB3921

Representative Jason Dunnington

2300 N. Lincoln Blvd., Room 545
Oklahoma City, OK 73105
(405) 557-7396

Bill Summary

Research Analysis

The committee substitute for HB3921 creates a tax credit for qualified entertainment industry project expenditures incurred between July 1, 2020 and June 30, 2030 that can be attributable to film and television production projects with production budgets greater than \$5 million. The measure also sets the minimum budget for a film project at \$500,000, of which at least \$250,000 must be expended in the state. The minimum budget for each episode of a television production project is \$250,000.

All qualified film and television projects are entitled to a base tax credit equal to 25 percent of qualified expenditures made in the state and may receive a larger credit percentage for the completing the following requirements:

- One percent for a qualifying music expenditure equal to or greater than \$15,000;
- One percent for a qualifying audio post-production, visual post-production and visual effects expenditure equal to or greater than \$20,000;
- One percent for a qualifying soundstage expenditure equal to or greater than \$10,000;
- One percent for use of a "filmed in Oklahoma" logo;
- One percent for the including language, a logo and an animated sequence in the opening credits that promotes the involvement of the state of Oklahoma; and
- One percent for a qualifying film or television expenditure for a qualified environmental sustainability plan.

In addition, if the project had qualified expenditures related to compensation of nonresidents, an additional tax credit equal to 15 percent of such compensation is allowed.

The measure limits each film project to a \$7 million tax credit cap; each television production project to a \$1.2 million per episode tax credit cap; and limits the total amount of credits authorized through the program at \$50 million per year.

The measure also renames the Compete with Canada Act to the Oklahoma Film and Television Projection Incentive Program and updates statutory references and definitions to reflect the addition of television production projects to the lineup of entertainment projects that receive state incentives.

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