
A BILL FOR AN ACT

RELATING TO THE MOTION PICTURE, DIGITAL MEDIA, AND FILM
PRODUCTION INCOME TAX CREDIT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Act 88, Session Laws of Hawaii 2006, as amended
2 by section 3 of Act 89, Session Laws of Hawaii 2013, is amended
3 by amending section 4 to read as follows:

4 "SECTION 4. This Act shall take effect on July 1, 2006;
5 provided that[÷

6 ~~(1) Section]~~ section 2 of this Act shall apply to
7 qualified production costs incurred on or after July
8 1, 2006[, and before January 1, 2019; and

9 ~~(2) This Act shall be repealed on January 1, 2019, and~~
10 ~~section 235-17, Hawaii Revised Statutes, shall be~~
11 ~~reenacted in the form in which it read on the day~~
12 ~~before the effective date of this Act]."~~

13 SECTION 2. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

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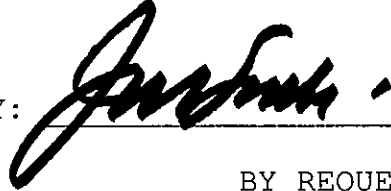
H.B. NO. 2297

1 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:



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BY REQUEST

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JAN 25 2016

H.B. NO. 2297

Report Title:

Motion Picture, Digital Media, and Film Production Income Tax Credit

Description:

Amends Act 88, Session Laws of Hawaii 2006, to repeal the sunset date for the amendments made to section 235-17, Hawaii Revised Statutes.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO THE MOTION PICTURE, DIGITAL MEDIA, AND FILM PRODUCTION INCOME TAX CREDIT.

PURPOSE: Amend Act 88, Session Laws of Hawaii (SLH) 2006, as amended by section 3 of Act 89, SLH 2013, to repeal the sunset date of amendments made to section 235-17, Hawaii Revised Statutes.

MEANS: Amend section 4 of Act 88, SLH 2006.

JUSTIFICATION: Hawaii continues to compete on a global scale for production dollars to come to the State. In order to maintain Hawaii's competitive edge, it is critically important that our tax credit program be perceived as stable and predictable. Having a tax credit sunset date that is three years away does not provide the stability and predictability necessary for planning purposes. Studio executives will not engage Hawaii in its planning process nor will they make decisions to send productions to a jurisdiction whose tax credit sunset date is right around the corner. The sunset date of January 1, 2019, provides limited business certainty for the industry-at-large, which will severely impact this economic driver for our State.

Impact on the public: Strengthens and maintains the production tax credit for the film industry that contributes to the State's economy, enhances quality of life through creative sector growth, and supports a clean industry that protects the natural environment and provides well-paying jobs for Hawaii's people.

Impact on the department and other agencies:
None.

GENERAL FUND: TBD.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: BED 105.

OTHER AFFECTED
AGENCIES: Department of Taxation, Department of Budget
and Finance.

EFFECTIVE DATE: Upon approval.