
A BILL FOR AN ACT

RELATING TO INCOME TAX CREDITS.

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

- 1 SECTION 1. Section 235-17, Hawaii Revised Statutes, is
2 amended as follows:
- 3 1. By amending subsection (d) to read:
- 4 "(d) To qualify for this tax credit, a production shall:
- 5 (1) Meet the definition of a qualified production
6 specified in subsection (1);
- 7 (2) Have qualified production costs totaling at least
8 \$200,000;
- 9 (3) Provide the State, at a minimum, a shared-card, end-
10 title screen credit, where applicable;
- 11 (4) ~~[Provide evidence of reasonable efforts to hire local]~~
12 Hire at least sixty per cent of the production's
13 talent and crew[-] from the county in which the
14 qualified production costs are incurred; provided that
15 this requirement shall not apply to hired individuals
16 who principally add to the creative direction,
17 process, voice, and narrative of the production,



1 including but not limited to the screenwriter,
2 producer, director, and on-camera, mic, or voice-over
3 talent; and

4 (5) Provide evidence of financial or in-kind contributions
5 or educational or workforce development efforts, in
6 partnership with related local industry labor
7 organizations, educational institutions, or both,
8 toward the furtherance of the local film and
9 television and digital media industries."

10 2. By amending subsection (h) to read:

11 "(h) Every taxpayer claiming a tax credit under this
12 section for a qualified production shall, no later than ninety
13 days following the end of each taxable year in which qualified
14 production costs were expended, submit a written, sworn
15 statement to the department of business, economic development,
16 and tourism, identifying:

17 (1) All qualified production costs as provided by
18 subsection (a), if any, incurred in the previous
19 taxable year;

20 (2) The amount of tax credits claimed pursuant to this
21 section, if any, in the previous taxable year; and



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1 (3) The number of total hires versus the number of local
 2 hires by category and by county[-]; provided that the
 3 taxpayer shall verify the county of residency of local
 4 hires.

5 This information may be reported from the department of
 6 business, economic development, and tourism to the legislature
 7 in redacted form pursuant to subsection (i)(4)."

8 SECTION 2. Statutory material to be repealed is bracketed
 9 and stricken. New statutory material is underscored.

10 SECTION 3. This Act, upon its approval, shall apply to
 11 taxable years beginning after December 31, 2015.

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Report Title:

Motion Picture Income Tax Credit

Description:

Requires a film production to make reasonable efforts to hire at least sixty per cent of the production's crew from the county in which the film's qualified costs are incurred. Requires a taxpayer claiming a motion picture income tax credit to verify the county of residency of local hires.

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