

By: Senator(s) Carter, Gollott

To: Finance

SENATE BILL NO. 2459

1 AN ACT TO AMEND SECTION 57-89-7, MISSISSIPPI CODE OF 1972, TO
2 EXTEND TO JULY 1, 2023, THE DEADLINE FOR THE DEPARTMENT OF REVENUE
3 TO APPROVE AN APPLICATION BY A MOTION PICTURE PRODUCTION COMPANY
4 FOR A REBATE OF 25% OF PAYROLL AND FRINGES PAID FOR CERTAIN
5 NONRESIDENT EMPLOYEES; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** Section 57-89-7, Mississippi Code of 1972, is
8 amended as follows:

9 57-89-7. (1) (a) A motion picture production company that
10 expends at least Fifty Thousand Dollars (\$50,000.00) in base
11 investment, payroll and/or fringes, in the state shall be entitled
12 to a rebate of a portion of the base investment made by the motion
13 picture production company. Subject to the provisions of this
14 section, the amount of the rebate shall be equal to twenty-five
15 percent (25%) of the base investment made by the motion picture
16 production company.

17 (b) In addition to the rebates authorized under
18 paragraphs (a), (c) and (d) of this subsection, a motion picture
19 production company may receive a rebate equal to twenty-five



20 percent (25%) of payroll and fringes paid for any employee who is
21 not a resident and whose wages are subject to the Mississippi
22 Income Tax Withholding Law of 1968. However, if the payroll and
23 fringes paid for an employee exceeds Five Million Dollars
24 (\$5,000,000.00), then the rebate is authorized only for the first
25 Five Million Dollars (\$5,000,000.00) of such payroll and fringes.

26 (c) In addition to the rebates authorized under
27 paragraphs (a), (b) and (d) of this subsection, a motion picture
28 production company may receive a rebate equal to thirty percent
29 (30%) of payroll and fringes paid for any employee who is a
30 resident and whose wages are subject to the Mississippi Income Tax
31 Withholding Law of 1968. However, if the payroll and fringes paid
32 for an employee exceeds Five Million Dollars (\$5,000,000.00), then
33 the rebate is authorized only for the first Five Million Dollars
34 (\$5,000,000.00) of such payroll and fringes.

35 (d) In addition to the rebates authorized in paragraphs
36 (a), (b) and (c) of this subsection, a motion picture production
37 company may receive an additional rebate equal to five percent
38 (5%) of the payroll and fringes paid for any employee who is an
39 honorably discharged veteran of the United States Armed Forces and
40 whose wages are subject to the Mississippi Income Tax Withholding
41 Law of 1968.

42 (e) If a motion picture has physical production
43 activities and/or post-production activities both inside and
44 outside the state, then the motion picture production company



45 shall be required to provide an itemized accounting for each
46 employee regarding such activities inside and outside the state
47 for the purposes of proration of eligible payroll based on the
48 percentage of activities performed in the state.

49 (f) The total amount of rebates authorized for a motion
50 picture project shall not exceed Ten Million Dollars
51 (\$10,000,000.00) in the aggregate.

52 (g) The total amount of rebates authorized in any
53 fiscal year shall not exceed Twenty Million Dollars
54 (\$20,000,000.00) in the aggregate.

55 (2) A motion picture production company desiring a rebate
56 under this section must submit a rebate request to the Department
57 of Revenue upon completion of the project. The request must
58 include a detailed accounting of the base investment made by the
59 motion picture production company and any other information
60 required by the Department of Revenue. Rebates made by the
61 Department of Revenue under this section shall be made from
62 current income tax collections. The Department of Revenue shall
63 not approve any application for a rebate under subsection (1)(b)
64 of this section after July 1, * * * 2023.

65 (3) The Department of Revenue shall have all powers
66 necessary to implement and administer the provisions of this
67 section, and the Department of Revenue shall promulgate rules and
68 regulations, in accordance with the Mississippi Administrative
69 Procedures Law, necessary for the implementation of this section.



70 (4) The State Auditor may conduct performance and compliance
71 audits under this chapter according to Section 7-7-211(o) and may
72 bill the oversight agency.

73 **SECTION 2.** This act shall take effect and be in force from
74 and after its passage.

