

DECLARATION OF EMERGENCY

Louisiana Economic Development Office of Economic Development

Motion Picture Production Tax Credit Program (LAC 61:I.Chapter 61)

This Emergency Rule is being published pursuant R.S. 47:6007 (C) (1) (d) (iv) which provides for emergency procedures to establish rules, and R.S. 51:921 and R.S. 36:104 which allows Louisiana Economic Development (“LED”) to promulgate rules and regulations to protect the welfare and prosperity of the citizens of the state.

LED has an immediate need to amend the rules of the Motion Picture Production Tax Credit Program (LA R.S. 47:6007, et seq.) to better align the rules with current statutory provisions and administrative practices, and as required by Act 44 of the 2025 Regular Session of the Louisiana Legislature. A delay in imposition would hinder effective administration of this program and delay access to the program by qualified applicants, resulting in an adverse financial impact on the state, Louisiana businesses and program applicants.

Since July 2025 LED has met with interested stakeholders and evaluated various suggested refinements to the program. After due consideration, LED now begins permanent rulemaking, has submitted a draft fiscal and economic impact statement (FEIS) to the Legislative Fiscal Office, and anticipates publication as a Notice of Intent in the January 2026 *Louisiana Register*. To allow for the standard rulemaking process, public comment and public hearing, the Emergency Rule originally effective on June 30, 2025 is hereby extended and renewed, and shall be effective December 23, 2025, and shall remain in effect for a period of 180 days or until adoption of final Rule, whichever occurs first.

Title 61

REVENUE AND TAXATION

Part I. Taxes Collected and Administered by the Secretary of Revenue

Chapter 61. Motion Picture Production Tax Credit Program

Subchapter A. Program Rules for Projects with Applications Received on or After July 1, 2017 and prior to July 1, 2025

§6103. General Description

A. For application received on or after July 1, 2017 and prior to July 1, 2025, state-certified productions may be eligible for up to a 40 percent tax credit on total qualified in-state expenditures, including resident and non-labor as follows:

A.1. - 3. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1125.1., R.S. 47:6007

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, Office of Entertainment Industry Development and the Office of the Governor, Division of Administration, LR 36:53 (January 2010), repromulgated by the Department of Economic Development, Office of Business Development, LR 45:868 (July 2019), amended LR 48:1494 (June 2022), LR 48:1915 (July 2022), amended by Louisiana Economic Development, Office of Economic Development, LR 52:

§6105. Definitions

A. - B. ...

Office—means the Office of Entertainment Industry Development until July 1, 2025, and thereafter means the office of economic development in Louisiana Economic Development.

Program Issuance Cap—for applications submitted on or after July 1, 2017 and prior to July 1, 2023, the office may issue no more than \$150,000,000 in tax credits (“total cap”) in any fiscal year, with \$7,500,000 reserved for qualified entertainment companies (“QEC cap”), \$7,500,000 reserved for Louisiana screenplay productions (“LA screenplay cap”), \$15,000,000 reserved for independent film productions (“independent film cap”), with the remaining \$120,000,000 available for general allocation to any state certified production (“general cap”); for applications received on or after July 1, 2023 but prior to July 1, 2025, the office may issue no more than \$150,000,000 in tax credits in any fiscal year.

Secretary—secretary of Louisiana Economic Development.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:6007.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, Office of Entertainment Industry Development and the Office of the Governor, Division of Administration, LR 36:53 (January 2010), amended by the Department of Economic Development, Office of Business Development, Office of Entertainment Industry Development, LR 43:300 (February 2017), LR 43:2102 (November 2017), repromulgated by the Department of Economic Development, Office of Business Development, LR 45:869 (July 2019), amended by the Department of Economic Development, Office of Entertainment Industry Development, LR 46:179 (February 2020), LR 48:1495 (June 2022), LR 48:1915 (July 2022), LR 49:2089 (December 2023), amended by Louisiana Economic Development, Office of Economic Development, LR 52:

§6107. Certification Procedures

A. - C.1.b.ii. ...

c. Project-Based Production Tax Credit—for Applications Submitted on or after July 1, 2023 but prior to July 1, 2025.

C.1.c.i. - C.5.c.i. ...

6. Duration of Effect—for Applications Submitted on or after July 1, 2023 but prior to July 1, 2025

C.6.a. - D.3.b.iii. ...

c. Project-Based Production Credit—for Applications Submitted on or after July 1, 2023 but prior to July 1, 2025.

D.3.c.i. - D.4.f.iii. ...

iv. If the total amount of released credits available for re-issuance is less than the total amount of requested credits, the department shall issue credits to all qualified applicants on a first come, first served basis, as determined by the completion notification date, except that legacy credit projects with tax credit reservations that have expired or been released in accordance with the provisions of §6107 (“late requests”), shall receive priority funding over legacy credit projects seeking tax credits in an earlier fiscal year than their reservation (“early requests”). Any requests that cannot be paid in full will remain eligible for

payment at a later date, subject to availability of released credits.

E - E.2.e. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:6007 and R.S. 36:104.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, Office of Entertainment Industry Development and the Office of the Governor, Division of Administration, LR 36:55 (January 2010), amended by the Department of Economic Development, Office of the Secretary, Office of Business Development and the Louisiana Economic Development Corporation, LR 37:514 (February 2011), amended by the Department of Economic Development, Office of Business Development, Office of Entertainment Industry Development, LR 42:39 (January 2016), amended by the Department of Economic Development, Office of Entertainment Industry Development, LR 43:2102 (November 2017), repromulgated LR 43:2473 (December 2017), repromulgated by the Department of Economic Development, Office of Business Development, LR 45:871 (July 2019), amended by the Department of Economic Development, Office of Entertainment Industry Development, LR 46:179 (February 2020), LR 48:1496 (June 2022), LR 48:1916 (July 2022), LR 49:2089 (December 2023), amended by Louisiana Economic Development, Office of Economic Development, LR 52:

§6109. Additional Program Provisions

A. The following additional provisions shall apply to applications received on or after July 1, 2017 but prior to July 1, 2025:

1. LED program issuance cap.

a. For applications for state-certified productions and qualified entertainment companies submitted on or after July 1, 2017, but prior to July 1, 2023, the total amount of all tax credits granted in a final certification letter by the department in any fiscal year shall not exceed one hundred fifty million dollars. Twenty percent of the annual program cap shall be reserved as follows: five percent for qualified entertainment companies, five percent for Louisiana screenplay productions, and ten percent for independent film productions. If the total amount of credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for that year, the excess shall be treated as having been applied for on the first day of the subsequent year.

b. For applications for state-certified productions and qualified entertainment companies submitted on or after July 1, 2023, but prior to July 1, 2025, the total amount of all tax credits granted in a final certification letter by the department in any fiscal year shall not exceed one hundred fifty million dollars. If the total amount of credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for that year, the excess shall be treated as having been applied for on the first day of the subsequent year.

2. LED individual project issuance cap. The maximum amount of credits certified by LED for a single state-certified production shall be \$20,000,000, which may be structured over two or more years in the initial certification letter;

a. Except for state-certified productions for scripted episodic content that may be granted up to \$25,000,000 in credits per season.

3. LED individual salary cap. The maximum amount of qualifying payroll expenditures per individual shall be \$3,000,000. Payroll payments in excess of \$3,000,000 made directly or indirectly to an individual or loan-out shall be excluded.

B. LDR Taxpayer Claims Cap.

1. Beginning July 1, 2017 through June 30, 2025, tax credit claims and transfers to the Department of Revenue ("state buy-back") shall be limited to an aggregate total of \$180,000,000 each fiscal year.

2. Beginning July 1, 2025, tax credit claims and transfers to the Department of Revenue ("state buy-back") shall be limited to an aggregate total of \$125,000,000 each fiscal year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1125.1., 47:6007

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, Office of Entertainment Industry Development and the Office of the Governor, Division of Administration, LR 36:56 (January 2010), repromulgated by the Department of Economic Development, Office of Business Development, LR 45:874 (July 2019), amended LR 48:1496 (June 2022), amended by Louisiana Economic Development, Office of Economic Development, LR 52:

§6113. Application of the Tax Credit

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:6007.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, Office of Entertainment Industry Development and the Office of the Governor, Division of Administration, LR 36:57 (January 2010), amended by the Department of Economic Development, Office of the Secretary, Office of Business Development, and the Louisiana Economic Development Corporation, LR 37:515 (February 2011), repromulgated by the Department of Economic Development, Office of Business Development, LR 45:876 (July 2019), repealed by Louisiana Economic Development, Office of Economic Development, LR 52:

§6119. Louisiana Promotional Graphic

A. - A.3. ...

B. For applications for state-certified productions received on or after July 1, 2023 but prior to July 1, 2025 at time of request for final certification, state certified productions shall be required to acknowledge the financial assistance of the state of Louisiana as follows:

B.1. - B.3. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:6007

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of Business Development, Office of Entertainment Industry Development, LR 42:1656 (October 2016), repromulgated by the Department of Economic Development, Office of Business Development, LR 45:878 (July 2019), LR 48:1497 (June 2022), amended LR 48:1917 (July 2022), LR 49:2091 (December 2023), amended by Louisiana Economic Development, Office of Economic Development, LR 52:

Subchapter B. Program Rules for Projects with applications received on or after July 1, 2025

§6121. Purpose

A. The purpose of this Subchapter is to implement the Motion Picture Production Tax Credit Program, in accordance with R.S. 47:6007, as amended by Act 44 of the 2025 Regular Legislative Session.

B. This Subchapter shall be administered to achieve the following purposes:

1. to support the state's commitment to the motion picture production industry; and

2. to support industry sectors and goals identified in Louisiana Economic Development's strategic plan, as may be amended from time to time.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:104 and R.S. 47:6007

HISTORICAL NOTE: Promulgated by Louisiana Economic Development, Office of Economic Development, LR 52:

§6123. General Description

A. For applications for state-certified productions or Qualified Entertainment Companies approved by the office on or after July 1, 2025, there is hereby authorized a tax credit of up to 40 percent for approved projects.

B. The program provisions outlined in Subchapter A shall apply to projects with applications received on or after July 1, 2025, but before the effective date of the provisions outlined in this Subchapter B, except that:

1. the total amount of all tax credits granted in a final certification letter by Louisiana Economic Development in any fiscal year shall not exceed \$125,000,000;

2. beginning July 1, 2025, tax credit claims and transfers to the Department of Revenue (“state buy-back”) shall be limited to an aggregate total of \$125,000,000 each fiscal year; and

3. in exceptional circumstances, for good cause shown, which may include but not be limited to letters of project support from Regional Economic Development Organizations (REDO’s), LED may enter into long term agreements that support motion picture production industry initiatives determined by the secretary to be in the best interest of the state.

C. The program provisions outlined in this Subchapter B shall apply to projects with applications received after their effective date, which is contingent upon final Rule promulgation and approval of the rules by the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:104 and R.S. 47:6007

HISTORICAL NOTE: Promulgated by Louisiana Economic Development, Office of Economic Development, LR 52:

§6125. Definitions (Reserved)

§6127. General Principles (Reserved)

§6129. Application Procedure (Reserved)

§6131. Selection Criteria (Reserved)

§6133. LED Action—Approval, Denial and Appeal Provisions (Reserved)

§6135. Request for Tax Credits (Reserved)

§6137. Non-performance, Disallowance and Recapture of Credits, Return of Benefits (Reserved)

Anne G. Villa
Deputy Secretary/CFO