

FIFTIETH LEGISLATURE  
FIRST SESSION

March 15, 2011

SENATE FLOOR AMENDMENT number   1   to HOUSE TAXATION AND REVENUE  
COMMITTEE SUBSTITUTE FOR  
HOUSE BILLS 607 & 622, as  
amended

Amendment sponsored by Senator Phil A. Griego

1. Strike Senate Finance Committee Amendments 1 through 3, 8, 13, 14, 18, 19 and 21 through 24.

2. On page 6, line 2, strike "L" and insert in lieu thereof "P".

3. On page 7, strike lines 2 through 23 and insert in lieu thereof:

"E. Credit claims authorized for payment pursuant to the Film Production Tax Credit Act shall be paid pursuant to provisions of the Tax Administration Act to the taxpayer as follows:

(1) a credit claim amount of less than two million dollars (\$2,000,000) per taxable year shall be paid immediately upon authorization for payment of the credit claim;

(2) a credit claim amount of two million dollars (\$2,000,000) or more but less than five million dollars (\$5,000,000) per taxable year shall be divided into two equal payments, with the first payment to be made immediately upon authorization of the payment of the credit claim and the second payment to be made twelve months following the date of the first payment; and

(3) a credit claim amount of five million dollars (\$5,000,000) or more per taxable year shall be divided into three equal payments, with the first payment to be made immediately upon

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authorization of payment of the credit claim, the second payment to be made twelve months following the date of the first payment and the third payment to be made twenty-four months following the date of the first payment.

F. Any amount of a credit claim that is carried forward pursuant to Subsection E of this section shall be subject to the limit on the aggregate amount of credit claims that may be authorized for payment pursuant to Subsection D of this section in the fiscal year in which that amount is paid.

G. A credit claim shall only be considered received by the department if the credit claim is made on a complete tax return filed timely after the close of the taxable year. All direct production expenditures and postproduction expenditures incurred during the taxable year by a film production company shall be submitted as part of the same income tax return and paid pursuant to this section. A credit claim shall not be divided and submitted with multiple returns or in multiple years.

H. For purposes of determining the payment of credit claims pursuant to Subsection E of this section, the secretary of taxation and revenue may require that credit claims of affiliated persons be combined into one claim if necessary to accurately reflect closely integrated activities of affiliated persons."

4. Reletter the succeeding subsections accordingly.

5. On page 8, line 14, after the period, insert "A film production company shall provide to the division a projection of the film production tax credit claim the film production company plans to submit in the fiscal year."

6. On page 9, line 15, after "returns", insert the following:  
", including that the division shall report monthly the projected

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amount of credit claims for the fiscal year.

M. To provide guidance to film production companies regarding the amount of credit capacity remaining in the fiscal year, the taxation and revenue department shall post monthly on that department's web site the aggregate amount of credits claimed and processed for the fiscal year."

7. Reletter the succeeding subsections accordingly.

8. On page 14, strike lines 9 through 13 and insert in lieu thereof:

"I. "New Mexico resident" means an individual who is domiciled in this state during any part of the taxable year or an individual who is physically present in this state for one hundred eighty-five days or more during the taxable year; but any individual, other than someone who was physically present in the state for one hundred eighty-five days or more during the taxable year and who, on or before the last day of the taxable year, changed the individual's place of abode to a place without this state with the bona fide intention of continuing actually to abide permanently without this state is not a resident for the purposes of the Film Production Tax Credit Act for periods after that change of abode;"

9. On page 22, strike lines 6 through 12 and insert in lieu thereof the following:

"SECTION 7. APPLICABILITY.--The provisions of Sections 5 and 6 of this act apply to amounts paid by a personal services business on and after July 1, 2011."

10. Adjust cross-references to correspond with these amendments, as needed.

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Phil A. Griego

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_  
(Chief Clerk) (Chief Clerk)

Date \_\_\_\_\_