

February 11, 2015

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1420

Page 1, line 1, after "57-38" insert "and a new subdivision to subsection 7 of section 57-38-30.3"

Page 1, line 9, remove "this"

Page 1, line 9, after "section" insert "2"

Page 1, line 9, remove "by"

Page 1, line 10, replace "this chapter" with "under section 57-38-30 or 57-38-30.3"

Page 1, line 14, remove "actual"

Page 1, line 19, remove "C corporation, an individual, an S corporation, or a partnership qualifies for the"

Page 1, line 20, replace "credit under this section" with "passthrough entity entitled to the credit under this section must be considered to be the taxpayer for purposes of calculating the credit. The amount of the allowable credit must be determined at the passthrough entity level. The total credit determined at the entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity. An individual taxpayer may take the credit passed through under this subsection against the individual's state income tax liability under section 57-38-30.3"

Page 2, line 2, remove the second "of"

Page 2, line 3, replace "the credit" with "paid"

Page 2, line 3, replace "computed as" with "used to compute"

Page 2, line 3, after "deduction" insert "or credit under this chapter"

Page 2, after line 3, insert:

"e. The credit allowed under this section may not exceed the taxpayer's tax liability."

Page 2, line 11, remove "tax"

Page 2, line 12, after "57-38-30" insert "or 57-38-30.3"

Page 2, line 16, replace "is required to" with "shall"

Page 2, line 18, after the first "the" insert "tax"

Page 2, line 20, replace "certify in writing" with "provide"

Page 2, line 27, remove "C corporation, an individual, an S corporation, or a partnership qualify for a"

Page 2, replace lines 28 through 31 with: "passthrough entity entitled to the credit under this section must be considered to be the taxpayer for purposes of calculating the credit. The amount of the allowable credit must be determined at the passthrough entity level."

The total credit determined at the entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity. An individual taxpayer may take the credit passed through under this subsection against the individual's state income tax liability under section 57-38-30.3"

Page 3, line 2, remove "taxpayer has included the amount of the"

Page 3, line 2, remove "upon which the"

Page 3, line 3, replace "amount of the credit was computed as a" with "is used to compute another"

Page 3, line 3, after "deduction" insert "or credit under this chapter"

Page 3, line 6, remove ", and has applied to the tax commissioner for the tax credits"

Page 4, line 9, replace "department of revenue" with "tax commissioner"

Page 4, line 18, remove "department of"

Page 4, line 19, replace "revenue" with "tax commissioner"

Page 4, line 21, replace "that" with "the"

Page 4, line 29, remove "taken. The"

Page 4, line 30, replace "taxpayer is subject to the" with "and pay"

Page 4, line 30, replace "provisions of this section" with "as provided in section 57-38-45"

Page 5, line 7, after "compensation" insert "reported on the federal form W-2 or 1099"

Page 6, after line 7, insert:

"9. Except as provided in section 57-38-59.3, a production company is subject to the income tax withholding requirements under sections 57-38-59 and 57-38-60.

SECTION 2. A new subdivision to subsection 7 of section 57-38-30.3 the North Dakota Century Code is created and enacted as follows:

The film production tax credit under section 1 of this Act."

Renumber accordingly