

**FISCAL IMPACT REPORT**  
2nd Session of the 51<sup>st</sup> Legislature

<b>Bill No.:</b>	<b>HB 2583</b>
<b>Version:</b>	<b>Subcommittee Recommendation</b>
<b>Author:</b>	<b>Representative Hyman</b>
<b>Date:</b>	<b>March 3, 2008</b>
<b>Analyst:</b>	<b>Diane Thomas</b>

<b>Impact:</b>	<b>FY09 Decrease of \$50,000</b>
	<b>FY10: Decrease \$50,000</b>

Reviewed:	<u>Mark Tygret</u>
	House Fiscal Director

**Summary**

SR for HB 2583:

- Sections 1-7 expands the Tourism Development Act to include digital media productions to be eligible for the income or sales tax credit, and
- Section 8 increases the cap on the rebate of expenditures (from 15 percent to 17 percent) relating to the Oklahoma Film Enhancement Rebate Program.

**Analysis**

Sections 1-7: expand the Tourism Development Act to include digital media productions with existing eligible tourism attraction projects, film or music productions. The eligibility criteria is also changed by reducing the minimum project costs from \$500,000 to \$100,000 for music production facilities and \$350,000 for film or digital media production facilities. This credit remains at 10 percent of eligible costs.

The Tax Commission anticipates a decrease of \$50,000 in FY09 for sections 1 through 7 of this measure.

Section 8: Currently, the rebate program is capped at 15 percent of documented expenditures made in Oklahoma directly attributable to the production of a film, television production, or television commercial. The measure increases the cap to 17 percent of document expenditures.

The rebate is also capped at \$5 million per fiscal year, so increasing the percentage of expenditures eligible should have no additional revenue impact.

**Long Term Considerations**

None