



FISCAL NOTE

House Bill 429

Committee: Ways and Means Education

Sponsor: Representative Kiel

Analyst: Riley Aaron

Date: 05/10/2023

House Bill 429 as reported by the Committee on Ways and Means Education would: (1) amend the Entertainment Industry Incentive Act of 2009 by renaming it the Film and Music Incentive Act of 2023; (2) require the Alabama Film Office to adopt rules prioritizing rebates for qualified productions created at "qualified production facilities", as defined by this bill; (3) provide a floor of \$20,000 in production expenditures for music albums, in order to receive a rebate, as well as a cap on rebated expenditures of \$200,000; (4) limit the amount of rebates issued each year for music album and music video productions to 5% of the \$20 million annual total cap on rebates, which would equal \$1 million under the current cap; and (5) provide further for certain productions to be meet the definition of "qualified production companies", which could reduce potential income, sales, and use tax receipts to the Education Trust Fund and lodgings and use tax receipts to the State General Fund and/or the Alabama Tourism Department by an undetermined amount dependent on the amount of production expenditures rebated or exempted from taxation for these productions that otherwise would not have been qualified productions under current law.