

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023  
4

# A Bill

HOUSE BILL 1592

5 By: Representatives C. Fite, Duffield  
6 By: Senator J. Dismang  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND THE DIGITAL PRODUCT AND MOTION  
10 PICTURE INDUSTRY DEVELOPMENT ACT OF 2009; AND FOR  
11 OTHER PURPOSES.  
12  
13

## Subtitle

15 TO AMEND THE DIGITAL PRODUCT AND MOTION  
16 PICTURE INDUSTRY DEVELOPMENT ACT OF 2009.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code § 15-4-2005, as amended by Acts 2023, No.  
22 204, §§ 2 and 3, is amended to read as follows:

23 15-4-2005. Production tax ~~incentive~~ incentives.

24 (a)(1) The Director of the Arkansas Economic Development Commission  
25 may offer to a production company that has submitted an approved application  
26 for a tax incentive under § 15-4-2007 a tax incentive of ~~twenty percent (20%)~~  
27 twenty-five percent (25%) on all qualified production costs in connection  
28 with the production of a state-certified film project.

29 (2) If the director approves a project for a tax incentive under  
30 this section, an additional rebate or tax credit of ten percent (10%) shall  
31 be granted for the payroll of below-the-line employees who are full-time  
32 residents of Arkansas.

33 (b) To qualify for this tax incentive, a production company shall  
34 spend at least two hundred thousand dollars (\$200,000) within a six-month  
35 period in connection with the production of one (1) project.

36 (c) A state-certified production shall be granted an additional tax



1 incentive of ten percent (10%) for:

2 (1) The payroll of below-the-line employees who are:

3 (A) Full-time residents of Arkansas; or

4 (B) Veterans; or

5 (2) Expenditures paid to a veteran-owned small business for  
6 qualified production costs with the state-certified production.

7 (d) A state-certified production shall be granted an additional tax  
8 incentive of five percent (5%) for each of the following:

9 (1) Hiring below-the-line employees whose full-time permanent  
10 address is located in a Tier 3 or Tier 4 county in the annual ranking of  
11 counties established by the Arkansas Economic Development Commission under §  
12 15-4-2704; and

13 (2) Producing a multi-project production, including without  
14 limitation a television series and a multi-film project.

15 (e) A production tax incentive shall not be processed until the  
16 production company has met in full all obligations to each Arkansas  
17 institution and vendor owed for products or services in the state.

18 ~~(e)(f)~~ The maximum total tax incentives that shall be claimed for an  
19 expenditure under this section is thirty percent (30%) of the expenditure.

20  
21 SECTION 2. Arkansas Code § 15-4-2006, as amended by Acts 2023, No.  
22 204, § 4, is amended to read as follows:

23 15-4-2006. Postproduction tax incentives.

24 (a)(1) The Director of the Arkansas Economic Development Commission  
25 shall offer a tax credit or a rebate of ~~twenty percent (20%)~~ twenty-five  
26 percent (25%) to a qualifying production company that has submitted an  
27 approved application for a tax incentive under § 15-4-2007 for a tax  
28 incentive on all qualified production costs in connection with the  
29 postproduction of an approved state-certified film project.

30 (2) A state-certified production shall be granted an additional  
31 tax incentive:

32 (A) In the amount of ten percent (10%) for:

33 ~~(A)(i)~~ The payroll of below-the-line employees who  
34 are:

35 ~~(i)(a)~~ Full-time residents of Arkansas; or

36 ~~(ii)(b)~~ Veterans; or

1                   ~~(B)(ii)~~ Expenditures paid to a veteran-owned  
2 business for qualified production costs with the state-certified production;  
3 and

4                   (B) In the amount of five percent (5%) for each of the  
5 following:

6                   (i) Hiring below-the-line employees whose full-time  
7 permanent address is located in a Tier 3 or Tier 4 county in the annual  
8 ranking of counties established by the Arkansas Economic Development  
9 Commission under § 15-4-2704; and

10                   (ii) Producing a multi-project production, including  
11 without limitation a television series and a multi-film project.

12                   (b) To qualify for a tax incentive under this section, a production  
13 company shall spend at least fifty thousand dollars (\$50,000) within a six-  
14 month period in connection with the production of one (1) project.

15                   (c) A postproduction tax incentive shall not be processed until the  
16 production company has met in full all obligations to each Arkansas  
17 institution and vendor owed for products or services in the state.

18                   (d) The maximum total tax incentives that may be claimed for a  
19 qualified expenditure under this section is thirty percent (30%) of the  
20 qualified expenditure.

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22                   SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective  
23 for tax years beginning on or after January 1, 2023.