



Rep. Marlow H. Colvin

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LRB094 11526 BDD 58807 a

1 AMENDMENT TO SENATE BILL 2030

2 AMENDMENT NO. _____. Amend Senate Bill 2030, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Film Production Services Tax Credit Act is
6 amended by changing Sections 10, 40, 45, and 90 as follows:

7 (35 ILCS 15/10)

8 (Section scheduled to be repealed on January 1, 2007)

9 Sec. 10. Definitions. As used in this Act:

10 "Accredited production" means: (i) for productions
11 commencing before May 1, 2006, a film, video, or television
12 production that has been certified by the Department in which
13 the aggregate Illinois labor expenditures included in the cost
14 of the production, in the period that ends 12 months after the
15 time principal filming or taping of the production began,
16 exceed \$100,000 for productions of 30 minutes or longer, or
17 \$50,000 for productions of less than 30 minutes; and (ii) for
18 productions commencing on or after May 1, 2006, a film, video,
19 or television production that has been certified by the
20 Department in which the Illinois production spending included
21 in the cost of production in the period that ends 12 months
22 after the time principal filming or taping of the production
23 began exceeds \$100,000 for productions of 30 minutes or longer
24 or exceeds \$50,000 for productions of less than 30 minutes.

1 "Accredited production" ~~but~~ does not include a production that:

2 (1) is news, current events, or public programming, or
3 a program that includes weather or market reports;

4 (2) is a talk show;

5 (3) is a production in respect of a game,
6 questionnaire, or contest;

7 (4) is a sports event or activity;

8 (5) is a gala presentation or awards show;

9 (6) is a finished production that solicits funds;

10 (7) is a production produced by a film production
11 company if records, as required by 18 U.S.C. 2257, are to
12 be maintained by that film production company with respect
13 to any performer portrayed in that single media or
14 multimedia program; or

15 (8) is a production produced primarily for industrial,
16 corporate, or institutional purposes.

17 "Accredited production certificate" means a certificate
18 issued by the Department certifying that the production is an
19 accredited production that meets the guidelines of this Act.

20 "Applicant" means a taxpayer that is a film production
21 company that is operating or has operated an accredited
22 production located within the State of Illinois and that (i)
23 owns the copyright in the accredited production throughout the
24 Illinois production period or (ii) has contracted directly with
25 the owner of the copyright in the accredited production or a
26 person acting on behalf of the owner to provide services for
27 the production, where the owner of the copyright is not an
28 eligible production corporation.

29 "Credit" means:

30 (1) for an accredited production approved by the
31 Department on or before January 1, 2005 and commencing
32 before May 1, 2006, the amount equal to 25% of the Illinois
33 labor expenditure approved by the Department. The
34 applicant is deemed to have paid, on its balance due day

1 for the year, an amount equal to 25% of its qualified
2 Illinois labor expenditure for the tax year. For Illinois
3 labor expenditures generated by the employment of
4 residents of geographic areas of high poverty or high
5 unemployment, as determined by the Department, in an
6 accredited production commencing before May 1, 2006 and
7 approved by the Department after January 1, 2005, the
8 applicant shall receive an enhanced credit of 10% in
9 addition to the 25% credit; and-

10 (2) for an accredited production commencing on or after
11 May 1, 2006, the amount equal to:

12 (i) 20% of the Illinois production spending for the
13 taxable year; plus

14 (ii) 15% of the Illinois labor expenditures
15 generated by the employment of residents of geographic
16 areas of high poverty or high unemployment, as
17 determined by the Department.

18 "Department" means the Department of Commerce and Economic
19 Opportunity.

20 "Director" means the Director of Commerce and Economic
21 Opportunity.

22 "Illinois labor expenditure" means salary or wages paid to
23 employees of the applicant for services on the accredited
24 production;

25 To qualify as an Illinois labor expenditure, the
26 expenditure must be:

27 (1) Reasonable in the circumstances.

28 (2) Included in the federal income tax basis of the
29 property.

30 (3) Incurred by the applicant for services on or after
31 January 1, 2004.

32 (4) Incurred for the production stages of the
33 accredited production, from the final script stage to the
34 end of the post-production stage.

1 (5) Limited to the first \$25,000 of wages paid or
2 incurred to each employee of a ~~the~~ production commencing
3 before May 1, 2006 and the first \$100,000 of wages paid or
4 incurred to each employee of a production commencing on or
5 after May 1, 2006.

6 (6) For a production commencing before May 1, 2006,
7 exclusive ~~Exclusive~~ of the salary or wages paid to or
8 incurred for the 2 highest paid employees of the
9 production.

10 (7) Directly attributable to the accredited
11 production.

12 (8) Paid in the tax year for which the applicant is
13 claiming the credit or no later than 60 days after the end
14 of the tax year.

15 (9) Paid to persons resident in Illinois at the time
16 the payments were made.

17 (10) Paid for services rendered in Illinois.

18 "Illinois production spending" means the expenses incurred
19 by the applicant for an accredited production, including,
20 without limitation, all of the following:

21 (1) expenses to purchase, from vendors within
22 Illinois, tangible personal property that is used in the
23 accredited production;

24 (2) expenses to acquire services, from vendors in
25 Illinois, for film production, editing, or processing; and

26 (3) the compensation, not to exceed \$100,000 for any
27 one employee, for contractual or salaried employees who are
28 Illinois residents performing services with respect to the
29 accredited production.

30 "Qualified production facility" means stage facilities in
31 the State in which television shows and films are or are
32 intended to be regularly produced and that contain least one
33 sound stage of at least 15,000 square feet.

34 (Source: P.A. 93-543, eff. 1-1-04; 94-171, eff. 7-11-05.)

1 (35 ILCS 15/40)

2 (Section scheduled to be repealed on January 1, 2007)

3 Sec. 40. Amount and duration of the credit. The amount of
4 the credit awarded under this Act is based on the amount of the
5 Illinois labor expenditure and Illinois production spending
6 approved by the Department for the production as set forth
7 under Section 10. The duration of the credit may not exceed one
8 taxable year.

9 (Source: P.A. 93-543, eff. 1-1-04.)

10 (35 ILCS 15/45)

11 (Section scheduled to be repealed on January 1, 2007)

12 Sec. 45. Evaluation of tax credit program; reports to the
13 General Assembly.

14 (a) The Department shall evaluate the tax credit program.
15 The evaluation must include an assessment of the effectiveness
16 of the program in creating and retaining new jobs in Illinois
17 and of the revenue impact of the program, and may include a
18 review of the practices and experiences of other states or
19 nations with similar programs. Upon completion of this
20 evaluation, the Department shall determine the overall success
21 of the program, and may make a recommendation to extend,
22 modify, or not extend the program based on this evaluation.

23 (b) At the end of each fiscal quarter, the Department must
24 submit to the General Assembly a report that includes, without
25 limitation, the following information:

26 (1) the economic impact of the tax credit program,
27 including the number of jobs created and retained,
28 including whether the job positions are entry level,
29 management, talent-related, vendor-related, or
30 production-related;

31 (2) the amount of film production spending brought to
32 Illinois, including the amount of spending and type of

1 Illinois vendors hired in connection with an accredited
2 production; and

3 (3) an overall picture of whether the human
4 infrastructure of the motion picture industry in Illinois
5 reflects the geographical, racial and ethnic, gender, and
6 income-level diversity of the State of Illinois.

7 (c) At the end of each fiscal year, the Department must
8 submit to the General Assembly a report that includes, without
9 limitation, the following information:

10 (1) an identification of each vendor that provided
11 goods or services that were included in an accredited
12 production's Illinois production spending;

13 (2) the amount paid to each identified vendor by the
14 accredited production;

15 (3) for each identified vendor, a statement as to
16 whether the vendor is a minority owned business or a female
17 owned business, as defined under Section 2 of the Business
18 Enterprise for Minorities, Females, and Persons with
19 Disabilities Act; and

20 (4) a description of any steps taken by the Department
21 to encourage accredited productions to use vendors who are
22 a minority owned business or a female owned business.

23 (Source: P.A. 93-543, eff. 1-1-04; 94-171, eff. 7-11-05.)

24 (35 ILCS 15/90)

25 (Section scheduled to be repealed on January 1, 2007)

26 Sec. 90. Repeal. This Act is repealed on January 1, 2008
27 2007.

28 (Source: P.A. 93-543, eff. 1-1-04; 93-840, eff. 7-30-04;
29 94-171, eff. 7-11-05.)

30 Section 10. The Energy Assistance Act is amended by
31 changing Section 13 and by adding Section 17 as follows:

1 (305 ILCS 20/13)

2 Sec. 13. Supplemental Low-Income Energy Assistance Fund.

3 (a) The Supplemental Low-Income Energy Assistance Fund is
4 hereby created as a special fund in the State Treasury. The
5 Supplemental Low-Income Energy Assistance Fund is authorized
6 to receive moneys from voluntary donations from individuals,
7 foundations, corporations, and other sources, moneys received
8 pursuant to Section 17, and, by statutory deposit, the moneys
9 collected pursuant to this Section. Subject to appropriation,
10 the Department shall use moneys from the Supplemental
11 Low-Income Energy Assistance Fund for payments to electric or
12 gas public utilities, municipal electric or gas utilities, and
13 electric cooperatives on behalf of their customers who are
14 participants in the program authorized by Section 4 of this
15 Act, for the provision of weatherization services and for
16 administration of the Supplemental Low-Income Energy
17 Assistance Fund. The yearly expenditures for weatherization
18 may not exceed 10% of the amount collected during the year
19 pursuant to this Section. The yearly administrative expenses of
20 the Supplemental Low-Income Energy Assistance Fund may not
21 exceed 10% of the amount collected during that year pursuant to
22 this Section.

23 (b) Notwithstanding the provisions of Section 16-111 of the
24 Public Utilities Act but subject to subsection (k) of this
25 Section, each public utility, electric cooperative, as defined
26 in Section 3.4 of the Electric Supplier Act, and municipal
27 utility, as referenced in Section 3-105 of the Public Utilities
28 Act, that is engaged in the delivery of electricity or the
29 distribution of natural gas within the State of Illinois shall,
30 effective January 1, 1998, assess each of its customer accounts
31 a monthly Energy Assistance Charge for the Supplemental
32 Low-Income Energy Assistance Fund. The delivering public
33 utility, municipal electric or gas utility, or electric or gas
34 cooperative for a self-assessing purchaser remains subject to

1 the collection of the fee imposed by this Section. The monthly
2 charge shall be as follows:

3 (1) \$0.40 per month on each account for residential
4 electric service;

5 (2) \$0.40 per month on each account for residential gas
6 service;

7 (3) \$4 per month on each account for non-residential
8 electric service which had less than 10 megawatts of peak
9 demand during the previous calendar year;

10 (4) \$4 per month on each account for non-residential
11 gas service which had distributed to it less than 4,000,000
12 therms of gas during the previous calendar year;

13 (5) \$300 per month on each account for non-residential
14 electric service which had 10 megawatts or greater of peak
15 demand during the previous calendar year; and

16 (6) \$300 per month on each account for non-residential
17 gas service which had 4,000,000 or more therms of gas
18 distributed to it during the previous calendar year.

19 (c) For purposes of this Section:

20 (1) "residential electric service" means electric
21 utility service for household purposes delivered to a
22 dwelling of 2 or fewer units which is billed under a
23 residential rate, or electric utility service for
24 household purposes delivered to a dwelling unit or units
25 which is billed under a residential rate and is registered
26 by a separate meter for each dwelling unit;

27 (2) "residential gas service" means gas utility
28 service for household purposes distributed to a dwelling of
29 2 or fewer units which is billed under a residential rate,
30 or gas utility service for household purposes distributed
31 to a dwelling unit or units which is billed under a
32 residential rate and is registered by a separate meter for
33 each dwelling unit;

34 (3) "non-residential electric service" means electric

1 utility service which is not residential electric service;
2 and

3 (4) "non-residential gas service" means gas utility
4 service which is not residential gas service.

5 (d) At least 45 days prior to the date on which it must
6 begin assessing Energy Assistance Charges, each public utility
7 engaged in the delivery of electricity or the distribution of
8 natural gas shall file with the Illinois Commerce Commission
9 tariffs incorporating the Energy Assistance Charge in other
10 charges stated in such tariffs.

11 (e) The Energy Assistance Charge assessed by electric and
12 gas public utilities shall be considered a charge for public
13 utility service.

14 (f) By the 20th day of the month following the month in
15 which the charges imposed by the Section were collected, each
16 public utility, municipal utility, and electric cooperative
17 shall remit to the Department of Revenue all moneys received as
18 payment of the Energy Assistance Charge on a return prescribed
19 and furnished by the Department of Revenue showing such
20 information as the Department of Revenue may reasonably
21 require. If a customer makes a partial payment, a public
22 utility, municipal utility, or electric cooperative may elect
23 either: (i) to apply such partial payments first to amounts
24 owed to the utility or cooperative for its services and then to
25 payment for the Energy Assistance Charge or (ii) to apply such
26 partial payments on a pro-rata basis between amounts owed to
27 the utility or cooperative for its services and to payment for
28 the Energy Assistance Charge.

29 (g) The Department of Revenue shall deposit into the
30 Supplemental Low-Income Energy Assistance Fund all moneys
31 remitted to it in accordance with subsection (f) of this
32 Section.

33 (h) (Blank).

34 On or before December 31, 2002, the Department shall

1 prepare a report for the General Assembly on the expenditure of
2 funds appropriated from the Low-Income Energy Assistance Block
3 Grant Fund for the program authorized under Section 4 of this
4 Act.

5 (i) The Department of Revenue may establish such rules as
6 it deems necessary to implement this Section.

7 (j) The Department of Commerce and Economic Opportunity
8 ~~Community Affairs~~ may establish such rules as it deems
9 necessary to implement this Section.

10 (k) The charges imposed by this Section shall only apply to
11 customers of municipal electric or gas utilities and electric
12 or gas cooperatives if the municipal electric or gas utility or
13 electric or gas cooperative makes an affirmative decision to
14 impose the charge. If a municipal electric or gas utility or an
15 electric cooperative makes an affirmative decision to impose
16 the charge provided by this Section, the municipal electric or
17 gas utility or electric cooperative shall inform the Department
18 of Revenue in writing of such decision when it begins to impose
19 the charge. If a municipal electric or gas utility or electric
20 or gas cooperative does not assess this charge, the Department
21 may not use funds from the Supplemental Low-Income Energy
22 Assistance Fund to provide benefits to its customers under the
23 program authorized by Section 4 of this Act.

24 In its use of federal funds under this Act, the Department
25 may not cause a disproportionate share of those federal funds
26 to benefit customers of systems which do not assess the charge
27 provided by this Section.

28 This Section is repealed effective December 31, 2007 unless
29 renewed by action of the General Assembly. The General Assembly
30 shall consider the results of the evaluations described in
31 Section 8 in its deliberations.

32 (Source: P.A. 92-690, eff. 7-18-02; revised 12-6-03.)

1 Sec. 17. Transfer into Supplemental Low-Income Energy
2 Assistance Fund. Immediately upon the effective date of this
3 amendatory Act of the 94th General Assembly, but no later than
4 5 business days after that effective date, the State
5 Comptroller shall direct and the Treasurer shall transfer into
6 the Supplemental Low-Income Energy Assistance Fund \$5,201,055,
7 which is equivalent to 50% of the average amount of Gas Revenue
8 Tax paid per residential gas utility customer in State fiscal
9 year 2005 multiplied by the number of residential gas utility
10 customers that received assistance from the Low Income Home
11 Energy Assistance Program during the State fiscal year 2005
12 winter heating season.

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.".