
OLR Bill Analysis**SB 385*****AN ACT CONCERNING THE AMOUNT OF THE DIGITAL MEDIA TAX CREDIT.*****SUMMARY**

Existing law allows certain taxpayers to apply their film and digital media production tax credits against the sales and use tax, but at a reduced amount. This bill increases this amount from 78% to 92% of the credits' value.

By law, eligible production companies and other taxpayers (i.e., transferees) may claim film and digital media production credits against the sales and use tax only if there is at least 50% common ownership between the transferee and eligible production company that transferred the credit. Similar limitations apply under existing law to credits claimed against the community antenna television systems tax. These credits may also be claimed against the corporation business and insurance premiums taxes at full face value and may be sold, assigned, or otherwise transferred to other taxpayers up to three times.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 40 Nay 10 (04/05/2022)