



FISCAL NOTE

House Bill 429

Committee: Finance and Taxation Education Sponsor: Representative Kiel

Analyst: Riley Aaron Date: 05/31/2023

House Bill 429 as passed the House of Representatives would: (1) amend the Entertainment Industry Incentive Act of 2009 by renaming it the Film and Music Incentive Act of 2023; (2) increase the annual total cap from \$20 million to \$50 million; (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; and (4) limit the amount of rebates issued each year for music album and music video productions to 5% of the \$50 million annual total cap on rebates, which would equal \$2.5 million under the new cap, 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.