

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 HOUSE BILL 1970

By: Williams

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5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending
8 68 O.S. 2021, Section 3635, as last amended by
9 Section 159, Chapter 452, O.S.L. 2024 (68 O.S. Supp.
10 2024, Section 3635), which relates to incentive
11 amounts; providing incentive based on certain
12 financial services; providing incentive based upon
13 certain content; providing an effective date; and
14 declaring an emergency.

15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 68 O.S. 2021, Section 3635, as
17 last amended by Section 159, Chapter 452, O.S.L. 2024 (68 O.S. Supp.
18 2024, Section 3635), is amended to read as follows:

19 Section 3635. A. Subject to the final approval of the
20 eligibility application by the Oklahoma Department of Commerce, a
21 requirement that the incentive payments made pursuant to the
22 provisions of the Filmed in Oklahoma Act of 2021 achieve the maximum
23 positive impact for the Oklahoma economy and subject to the Oklahoma
24 workforce requirements of Section 3637 of this title, the base

1 incentive amount for a project filmed in this state, not including
2 above-the-line personnel, shall be a maximum of thirty percent (30%)
3 of the qualified production expenditure amount. An incentive for a
4 project filmed in this state for wages paid to nonresident crew, not
5 including above-the-line personnel, shall be provided in the amount
6 of seven and one-half percent (7.5%) for wages paid before April 1,
7 2023, and twenty percent (20%) for wages paid on or after April 1,
8 2023.

9 B. In addition to the amount authorized by subsection A of this
10 section, there may be an additional incentive amount, subject to the
11 final approval of the Oklahoma Department of Commerce, in the
12 maximum amount of:

13 1. Three percent (3%) of the qualified production expenditure
14 amount for projects where at least twenty-five percent (25%) of main
15 crew principal photography days are filmed on location, excluding
16 sound stage production, in any county of this state if the county
17 has a population of less than two hundred fifty thousand (250,000)
18 persons according to the Federal Decennial Census or most recent
19 population estimate;

20 2. Two percent (2%) of the qualified production expenditure
21 amount for projects whose hub location, as determined by the
22 Department, is for projects where at least twenty-five percent (25%)
23 of main crew principal photography days are filmed on location,
24 excluding sound stage production, in a municipality having a

1 population of twenty-five thousand (25,000) or fewer persons
2 according to the Federal Decennial Census or most recent population
3 estimate regardless of the county in which the municipality is
4 located or partially located;

5 3. Five percent (5%) of the qualified production expenditure
6 amount for soundstage expenditures if at least twenty-five percent
7 (25%) of main crew principal photography days are filmed at a
8 qualified soundstage facility;

9 4. For eligible television series as defined in paragraph 4 of
10 Section 3632 of this title:

11 a. two percent (2%) of the qualified production
12 expenditure amount for an eligible television episodic
13 pilot, and

14 b. five percent (5%) of the qualified production
15 expenditure amount if a television series is filmed
16 for one or more seasons;

17 5. Five percent (5%) of the qualified production expenditure
18 amount for an eligible multi-film deal as defined in paragraph 7 of
19 Section 3632 of this title;

20 6. On or after July 1, 2023, two percent (2%) of the qualified
21 production expenditure amount for the post-production expenses of:

22 a. music production, recording, mixing, or composition,
23 or

24 b. licensing of Oklahoma music; and

1 7. Three percent (3%) of the qualified production expenditure
2 amount based on expenditures paid to Oklahoma vendors for post-
3 production expenses with a minimum expenditure of three percent (3%)
4 of Oklahoma production expenditures. Post-production expenditures
5 include but are not limited to the following categories:

- 6 a. sound recording or mixing,
- 7 b. color grading,
- 8 c. editorial work,
- 9 d. visual effects,
- 10 e. animation,
- 11 f. deliverables, excluding marketing and advertising,
- 12 g. editing equipment or editing facility rental,
- 13 h. color grading or digital intermediate processing,
- 14 i. audio post-production processes including Foley artist
15 processes or services, and
- 16 j. graphics, including but not limited to the GFX system;

17 8. Two percent (2%) of the qualified production expenditure
18 amount for projects which obtain commercial banking services for the
19 duration of the project from any bank authorized and chartered by
20 the laws of this state to engage in the banking business; and

21 9. Five percent (5%) of the qualified production expenditure
22 amount for projects whose content is faith-based or which promotes
23 core family values.

1 C. Notwithstanding any other provisions of this section or the
2 provisions of the Filmed in Oklahoma Act of 2021 to the contrary, in
3 no case shall the total incentive payments authorized by this
4 section exceed thirty percent (30%) of the otherwise qualified
5 production expenditure amount. The incentive payment amount
6 prescribed by subsection A of this section may be used in any
7 combination with the additional incentive amounts authorized by
8 subsection B of this section, but the combination of the incentive
9 amounts shall not exceed thirty percent (30%).

10 SECTION 2. This act shall become effective July 1, 2025.

11 SECTION 3. It being immediately necessary for the preservation
12 of the public peace, health or safety, an emergency is hereby
13 declared to exist, by reason whereof this act shall take effect and
14 be in full force from and after its passage and approval.

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