

119TH CONGRESS
2D SESSION

H. R. 9938

To amend the Internal Revenue Code of 1986 to establish a credit to incentivize investments in movie theaters, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2026

Ms. TENNEY (for herself, Mr. KUSTOFF, and Mr. CAREY) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to establish a credit to incentivize investments in movie theaters, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Supporting Cinema
5 Renewal, Enhancement, and Enriching Neighborhoods
6 Act” or the “SCREEN Act”.

7 **SEC. 2. ESTABLISHMENT OF QUALIFIED MOVIE THEATER**
8 **REVITALIZATION CREDIT.**

9 (a) IN GENERAL.—Subpart D of part IV of sub-
10 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by adding at the end the following new
 2 section:

3 **“SEC. 45BB. QUALIFIED MOVIE THEATER REVITALIZATION**
 4 **CREDIT.**

5 “(a) IN GENERAL.—For purposes of section 38, the
 6 qualified movie theater revitalization credit determined
 7 under this section for any taxable year is an amount equal
 8 to the sum of the credit amounts determined under sub-
 9 section (b) with respect to each qualified movie theater
 10 owned or operated by the taxpayer.

11 “(b) CREDIT AMOUNT.—

12 “(1) IN GENERAL.—Subject to paragraph (2),
 13 the amount determined under this subsection with
 14 respect to any qualified movie theater for any tax-
 15 able year shall be equal to 30 percent of the quali-
 16 fied movie theater revitalization expenditures of the
 17 taxpayer for such taxable year with respect to such
 18 qualified movie theater.

19 “(2) LIMITATION.—

20 “(A) IN GENERAL.—The amount deter-
 21 mined under this subsection with respect to any
 22 qualified movie theater for any taxable year
 23 shall not exceed the excess (if any) of—

24 “(i) the applicable amount, over

1 “(ii) the aggregate amount of credits
2 determined under this subsection with re-
3 spect to such qualified movie theater for all
4 prior taxable years.

5 “(B) APPLICABLE AMOUNT.—For purposes
6 of subparagraph (A), with respect to the num-
7 ber of screens or similar video displays on
8 which qualified motion pictures are regularly
9 featured, the applicable amount is—

10 “(i) \$250,000, in the case of a quali-
11 fied movie theater with fewer than 4 such
12 screens or similar video displays,

13 “(ii) \$375,000, in the case of a quali-
14 fied movie theater with at least 4, but
15 fewer than 10 such screens or similar video
16 displays, and

17 “(iii) \$500,000, in the case of a quali-
18 fied movie theater with at least 10 such
19 screens or similar video displays.

20 “(c) QUALIFIED MOVIE THEATER REVITALIZATION
21 EXPENDITURES.—For purposes of this section—

22 “(1) IN GENERAL.—The term ‘qualified movie
23 theater revitalization expenditures’ means, with re-
24 spect to any taxpayer for any taxable year, any
25 amounts paid or incurred by such taxpayer for tan-

1 gible property (of a character subject to the allow-
2 ance for depreciation)—

3 “(A) the original use of which commences
4 with the taxpayer during such taxable year,

5 “(B) which is used as part of any qualified
6 movie theater which has been in service for the
7 5-year period preceding the date on which such
8 property is initially so used, and

9 “(C) which can be reasonably expected to
10 remain in such use for the 5-year period suc-
11 ceeding such date.

12 “(2) QUALIFIED MOVIE THEATER.—The term
13 ‘qualified movie theater’ means a movie theater,
14 screening room, drive-in theater, or other venue lo-
15 cated within the United States that is being used
16 primarily for the exhibition of qualified motion pic-
17 tures, if such exhibition is open to the public or is
18 made to an assembled group of viewers outside of a
19 normal circle of a family and its social acquaint-
20 ances.

21 “(3) QUALIFIED MOTION PICTURE.—The term
22 ‘qualified motion picture’ means a copyrighted mo-
23 tion picture (as defined in section 101 of title 17,
24 United States Code) which is rated by the Motion
25 Picture Association.

1 “(d) BASIS ADJUSTMENT.—For purposes of this sub-
 2 title, if a credit is allowed under this section in connection
 3 with any expenditure for any property, the increase in the
 4 basis of such property which would (but for this sub-
 5 section) result from such expenditure shall be reduced by
 6 the amount of the credit so allowed.

7 “(e) TERMINATION.—No credit shall be allowed
 8 under this section with respect to any amounts paid or
 9 incurred after December 31, 2030.”.

10 (b) CREDIT ALLOWED AS PART OF GENERAL BUSI-
 11 NESS CREDIT.—Section 38(b) of such Code is amended
 12 by striking “plus” at the end of paragraph (40), by strik-
 13 ing the period at the end of paragraph (41) and inserting
 14 “, plus”, and by adding at the end the following new para-
 15 graph:

16 “(42) the qualified movie theater revitalization
 17 credit determined under section 45BB(a).”.

18 (c) TRANSFERABILITY OF CREDIT.—Section
 19 6418(f)(1)(A) of such Code is amended by adding at the
 20 end the following new clause:

21 “(xiii) The qualified movie theater re-
 22 vitalization credit determined under section
 23 45BB.”.

24 (d) CLERICAL AMENDMENT.—The table of sections
 25 for subpart D of part IV of subchapter A of chapter 1

1 of such Code is amended by adding after the item relating
2 to section 45AA the following new item:

“Sec. 45BB. Qualified movie theater revitalization credit.”.

3 (e) EFFECTIVE DATE.—The amendments made by
4 this section shall apply with respect to amounts paid or
5 incurred after the date of the enactment of this Act.

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