

Bill No. CS for SB 1564

Amendment No. ____

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11 Senator Harris moved the following amendment:

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13 **Senate Amendment (with title amendment)**

14 On page 1, lines 16-24, delete those lines

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16 and insert:

17 Section 1. Paragraph (f) and (j) of subsection (5) of
18 section 212.08, Florida Statutes, are amended to read:

19 212.08 Sales, rental, use, consumption, distribution,
20 and storage tax; specified exemptions.--The sale at retail,
21 the rental, the use, the consumption, the distribution, and
22 the storage to be used or consumed in this state of the
23 following are hereby specifically exempt from the tax imposed
24 by this chapter.

25 (5) EXEMPTIONS; ACCOUNT OF USE.--

26 (f) Certain property ~~Motion picture or video equipment~~
27 used in motion picture or television production activities or
28 broadcasting and sound recording equipment used in the
29 production of master tapes and master records.--

30 1. Motion picture or video equipment and sound
31 recording equipment purchased or leased for use in this state

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1 in production activities is exempt from the tax imposed by
2 this chapter upon an affirmative showing by the purchaser or
3 lessee to the satisfaction of the department that the
4 equipment will be used for production activities. There is
5 exempt from the tax imposed under this chapter all personal or
6 real property purchased or leased for use in the operation of
7 any television broadcasting station that:

8 a. Has been acquired following the conclusion of
9 bankruptcy proceedings by a previous owner;

10 b. Submits an affidavit from its general manager
11 stating that the broadcasting station employs more than 50
12 employees and that at least 90 percent of the employees of the
13 bankrupt station were offered jobs following its acquisition;

14 c. Has received more than \$5 million in capital
15 improvements following its acquisition;

16 d. Is located within the boundaries of a metropolitan
17 statistical area and shares common ownership or management
18 with another broadcasting station that has been acquired
19 following bankruptcy and that is located in a different
20 metropolitan statistical area;

21 e. Has spent more than \$3 million since 1995 for
22 equipment used in the digital storage of programming; and

23 f. In the year following receipt of a tax refund under
24 this section, broadcasts, at no cost to the state,
25 youth-oriented, anti-tobacco public service announcements of
26 an equal or greater value than the tax refund received by the
27 broadcasting station in the previous year. If the broadcasting
28 station that has received a refund fails to broadcast a
29 sufficient number of public service announcements, the
30 taxpayer must return the refund to the state together with
31 interest and penalties.

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2 The exemption provided by this paragraph shall inure to the
3 taxpayer only through a refund of previously paid taxes. The
4 maximum refund allowed in any year is \$350,000 for any
5 broadcasting station or group of broadcasting stations that
6 share common ownership or management, and a taxpayer may not
7 receive a refund for more than 5 years. Notwithstanding the
8 provisions of s. 212.095, such refund shall be made within 30
9 days of formal application, which application may be made
10 after the completion of ~~each quarter production activities or~~
11 ~~on a quarterly basis~~. Notwithstanding the provisions of
12 chapter 213, the department shall provide the Department of
13 Commerce with a copy of each refund application and the amount
14 of such refund, if any.

15 2. For the purpose of the exemption provided in
16 subparagraph 1.:

17 a. "Motion picture or video equipment" and "sound
18 recording equipment" includes only equipment meeting the
19 definition of "section 38 property" as defined in s.
20 48(a)(1)(A) and (B)(i) of the Internal Revenue Code that is
21 used by the lessee or purchaser exclusively as an integral
22 part of production activities; however, motion picture or
23 video equipment and sound recording equipment does not include
24 supplies, tape, records, film, or video tape used in
25 productions or other similar items; vehicles or vessels; or
26 general office equipment not specifically suited to production
27 activities. In addition, the term does not include equipment
28 purchased or leased by television or radio broadcasting or
29 cable companies licensed by the Federal Communications
30 Commission.

31 b. "Production activities" means activities directed

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1 toward the preparation of a:

2 (I) Master tape or master record embodying sound; or

3 (II) Motion picture or television production which is

4 produced for theatrical, commercial, advertising, or

5 educational purposes and utilizes live or animated actions or

6 a combination of live and animated actions. The motion picture

7 or television production shall be commercially produced for

8 sale or for showing on screens or broadcasting on television

9 and may be on film or video tape.

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===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

On page 1, line 3, after the semicolon

insert:

creating a tax incentive for certain television
broadcasting stations;