

By the Committee on Commerce and Economic Opportunities and
Senator Harris

310-1813A-98

1 A bill to be entitled
2 An act relating to the "Florida Entertainment
3 Industry Growth Act"; creating s. 288.125,
4 F.S.; providing a short title; creating s.
5 288.1251, F.S.; providing definitions; creating
6 s. 288.1252, F.S.; creating the Entertainment
7 Florida Council within the Office of Tourism,
8 Trade, and Economic Development of the
9 Executive Office of the Governor; providing
10 purpose, membership, terms, organization,
11 powers, and duties of the council; renumbering
12 and amending s. 288.12285, F.S.; changing a
13 reference; conforming application of a
14 provision granting confidentiality to the
15 identities of certain donors or prospective
16 donors to a direct-support organization;
17 creating s. 288.1254, F.S.; creating the
18 position of Entertainment Industry
19 Commissioner; providing procedure for
20 appointment of the Entertainment Industry
21 Commissioner; providing powers and duties of
22 the commissioner; creating s. 288.1255, F.S.;
23 requiring the Office of Tourism, Trade, and
24 Economic Development to adopt rules by which it
25 may make specified expenditures for expenses
26 incurred in connection with the performance of
27 the duties of the Entertainment Florida
28 Council; requiring approval of such rules by
29 the Comptroller; requiring an annual report;
30 providing certain requirements with respect to
31 claims for expenses; providing a penalty for

1 false or fraudulent claims; providing for civil
2 liability; creating s. 288.1258, F.S.;
3 authorizing application for approval by the
4 Entertainment Industry Commissioner as a
5 qualified production company for purposes of
6 receiving sales tax exemptions; providing
7 application procedure; providing for denial and
8 revocation of a certificate of exemption;
9 providing a penalty for falsification or
10 unauthorized use of an application for
11 certificate of exemption; providing categories
12 of qualification for certificate of exemption;
13 providing for renewal of a certificate of
14 exemption; providing for duties of the
15 Department of Revenue with respect to sales tax
16 exemption to qualified production companies;
17 creating the Florida Entertainment Industry
18 Model Permitting Task Force; providing purpose
19 of the task force; providing for appointment of
20 members to the task force; amending s. 14.2015,
21 revising purposes of the Office of Tourism,
22 Trade, and Economic Development of the
23 Executive Office of the Governor; amending s.
24 212.031, F.S., relating to the lease or rental
25 of or license in real property; revising
26 language with respect to property used as an
27 integral part of the performance of qualified
28 production services; amending s. 212.06, F.S.,
29 relating to the tax on sales, use, and other
30 transactions; revising language with respect to
31 the exemption for fabrication labor used in the

1 production of a qualified motion picture;
2 amending s. 212.0602, F.S., which exempts the
3 purchase or lease of materials, equipment, and
4 other items by specified educational entities,
5 institutions, or organizations from the sales
6 and use tax under certain limited
7 circumstances; expanding the exemption to
8 include real or personal property and support
9 operations of such educational institutions;
10 conforming references; amending s. 212.08,
11 F.S.; revising the partial exemption from the
12 tax on sales, use, and other transactions for
13 master tapes, records, films, or video tapes;
14 providing an exemption from such tax for
15 certain entertainment industry production
16 equipment; revising the term "amounts paid for
17 the tangible elements"; clarifying definitions;
18 providing definitions; requiring the
19 Entertainment Industry Commissioner to keep
20 specified records; requiring an annual report
21 to the Legislature; repealing s. 212.08(12),
22 F.S., on October 1, 2008; providing for review
23 by the Legislature prior to repeal; amending s.
24 213.053, F.S., relating to confidentiality and
25 information sharing by the Department of
26 Revenue; providing for the sharing of specified
27 information; amending ss. 288.108, 288.90152,
28 F.S.; conforming cross-references; repealing s.
29 212.08(5)(f), F.S.; repealing the exemption
30 from the tax on sales use and other
31 transactions for specified motion picture or

1 video equipment, and specified sound recording
2 equipment, effective January 1, 1999; repealing
3 s. 288.051, F.S., which provides a short title;
4 repealing s. 288.052, F.S., relating to
5 legislative findings and intent with respect to
6 the "Florida Film and Television Investment
7 Act"; repealing s. 288.053, F.S., relating to
8 the Florida Film and Television Investment
9 Board; repealing s. 288.054, F.S., relating to
10 the administration and powers of the Florida
11 Film and Television Investment Board; repealing
12 s. 288.055, F.S., relating to the Florida Film
13 and Television Investment Trust Fund; repealing
14 s. 288.056, F.S., relating to conditions for
15 film and television investment by the board;
16 repealing s. 288.057, F.S., which requires an
17 annual report by the board; repealing s.
18 288.1228, F.S., relating to the direct-support
19 organization authorized by the Office of
20 Tourism, Trade, and Economic Development to
21 assist in the promotion and development of the
22 entertainment industry; providing effective
23 dates.

24

25 Be It Enacted by the Legislature of the State of Florida:

26

27 Section 1. Section 288.125, Florida Statutes, is
28 created to read:

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288.125 Short title.--Sections 288.1251 through
288.1258 shall be known and may be cited as the "Florida
Entertainment Industry Growth Act."

1 Section 2. Section 288.1251, Florida Statutes, is
2 created to read:

3 288.1251 Definitions.--For the purposes of this act,
4 the term:

5 (1) "Entertainment industry" means any person engaged
6 in the operation of motion picture or television studios or
7 recording studios, or any person engaged in the production of
8 motion pictures, made-for-TV motion pictures, television
9 series, commercial advertising, music videos, or sound
10 recordings.

11 (2) "Motion picture or television studio" means a
12 facility in which film or video tape productions or parts of
13 productions are made and which contains the necessary
14 equipment and personnel for this purpose and also means a
15 mobile unit or vehicle that is equipped in much the same
16 manner as a stationary studio and used in the making of film
17 or video tape productions.

18 (3) "Motion picture" means any live-action or animated
19 feature-length or short subject audiovisual work at any stage
20 of the production, consisting of a series of related images,
21 either on film, tape, or other embodiment, including, but not
22 limited to, all items comprising part of the work and
23 film-related products derived therefrom as well as duplicates
24 and prints thereof and all sound recordings created to
25 accompany a motion picture, which is produced, adapted, or
26 altered for exploitation in, on, or through any medium or
27 device and at any location, primarily for entertainment,
28 commercial, industrial, or educational purposes.

29 (4) "Commercial advertising production" means any
30 film, video, audio, or photographic production that is created
31 to promote statewide, nationally, or internationally specific

1 brands, products, services, retailers, or advocacy positions
2 for commercial purposes.

3 (5) "Recording studio" means a place where, by means
4 of mechanical or electronic devices, voices, music, or other
5 sounds are transmitted to tapes, records, or other devices
6 capable of storing and reproducing sound.

7 (6) "Recording industry" means any person engaged in
8 an occupation or business of making recordings embodying sound
9 for a livelihood or for a profit.

10 (7) "Sound recording" means a recording of voices,
11 music, or other sounds by mechanical or electronic
12 transmission to tapes, records, or other devices capable of
13 storing and reproducing sound.

14 (8) "Music video production" means a cohesive
15 compilation of motion pictures with a specific sound recording
16 product for the purpose of broadcasting on a music television
17 network or for commercial distribution.

18 (9) "Production" means any production, or part
19 thereof, of motion pictures, made-for-TV motion pictures,
20 television series, commercial advertising productions, music
21 videos, or sound recordings as defined by this act.

22 (10) "Preproduction activities" means those
23 preliminary activities performed directly in connection with
24 the production of a motion picture, made-for-TV motion
25 picture, television series, commercial advertising production,
26 music video, or sound recording, which include, but are not
27 limited to, obtaining story rights, scriptwriting,
28 storyboarding, budgeting, scheduling, and assembling the
29 financing, producers, director, and prime talent.

30 (11) "Production activities" means those activities
31 performed in direct connection with the production, or any

1 part thereof, of a motion picture, made-for-TV motion picture,
2 television series, commercial advertising production, music
3 video, or sound recording, which include, but are not limited
4 to, location scouting and managing, set construction and
5 acquisition, props acquisition, wardrobe construction and
6 acquisition, hair and makeup design and execution,
7 cinematography, photography, videography, sound recording, and
8 personnel travel and meal acquisition and related activities.

9 (12) "Postproduction activities" means those
10 activities performed directly in connection with transforming
11 the individual images and sounds recorded during production
12 into a cohesive body, which include, but are not limited to,
13 editing, dubbing, creating supplementary sound tracks,
14 automated dialogue replacement, foley stage recording, sound
15 mixing, creating special effects, two-dimensional and
16 three-dimensional graphics and animation, and creating credit
17 titles.

18 (13) "Producer" means any person who causes to be made
19 a motion picture, made-for-TV motion picture, television
20 series, commercial advertising, music video, or sound
21 recording, or any part thereof, primarily for entertainment,
22 commercial, industrial, or educational purposes.

23 (14) "Council" means the Entertainment Florida
24 Council.

25 Section 3. Section 288.1252, Florida Statutes, is
26 created to read:

27 288.1252 Entertainment Florida Council; creation;
28 purpose; membership; powers and duties.--

29 (1) CREATION.--There is hereby created within the
30 Office of Tourism, Trade, and Economic Development of the
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1 Executive Office of the Governor, for administrative purposes
2 only, the Entertainment Florida Council.

3 (2) PURPOSE.--The purpose of the council shall be to
4 serve as an advisory body to the Office of Tourism, Trade, and
5 Economic Development; to promote the growth of the
6 entertainment industry in Florida; to service the state's
7 entertainment industry; and to provide private-sector
8 supplemental financial support to programs under the direction
9 of the council.

10 (3) MEMBERSHIP.--

11 (a) The council shall consist of 11 members, to be
12 appointed by the Governor and confirmed by the Senate, with
13 the initial appointments being made no later than July 1,
14 1998.

15 (b) When making appointments to the council, the
16 Governor shall appoint persons who are residents of the state
17 and who are highly knowledgeable of, active in, and recognized
18 leaders in Florida's motion picture, television, video, sound
19 recording or other entertainment industries. These persons
20 shall include, but not be limited to, representatives of local
21 government film commissions, representatives of entertainment
22 associations, and board chairs, presidents, chief executive
23 officers, chief operating officers, or persons of comparable
24 executive position or stature of leading or otherwise
25 important entertainment industry businesses. Council members
26 shall be appointed in such a manner as to equitably represent
27 the broadest spectrum of the entertainment industry and
28 geographic areas of the state.

29 (c) Council members shall serve for 4-year terms,
30 except that the initial terms shall be staggered. The Governor
31 shall appoint two members for 1-year terms, three members for

1 2-year terms, three members for 3-year terms, and three
2 members for 4-year terms.

3 (d) Absence from three consecutive meetings shall
4 result in automatic removal from the council.

5 (e) A vacancy on the council shall be filled for the
6 remainder of the unexpired term in the same manner as the
7 original appointment.

8 (f) No more than one member of the council may be an
9 employee of any one company, organization, or association.

10 (g) Any member shall be eligible for reappointment but
11 may not serve more than two full consecutive terms.

12 (h) The council shall meet no less frequently than
13 once each quarter of the calendar year, but may meet more
14 often as set by the council.

15 (i) The council shall annually elect one member to
16 serve as chair of the council and one member to serve as vice
17 chair.

18 (j) A majority of the members of the council shall
19 constitute a quorum.

20 (k) Members of the council shall serve without
21 compensation, but shall be entitled to reimbursement for per
22 diem and travel expenses in accordance with s. 112.061 while
23 in performance of their duties.

24 (l) Each member of the council shall file disclosure
25 of financial interests pursuant to s. 112.3145.

26 (m) The Entertainment Industry Commissioner shall be
27 an ex officio nonvoting member of the council.

28 (4) POWERS AND DUTIES.--Entertainment Florida Council
29 shall have all the powers necessary or convenient to carry out
30 and effectuate the purposes and provisions of this act,
31 including, but not limited to, the power to:

1 (a) Adopt bylaws for the governance of its affairs and
2 the conduct of its business and rules to implement the
3 provisions of this act.

4 (b) Make and execute contracts and other instruments
5 necessary or convenient for the exercise of its powers and
6 functions, including, but not limited to, a contract with a
7 direct-support organization.

8 (c) Create a direct-support organization to raise
9 funds to provide supplemental support for the operation and
10 programs of the council and serve as the board of directors of
11 such an organization, which shall:

12 1. Be a Florida corporation not for profit,
13 incorporated under the provisions of chapter 617 and approved
14 by the Department of State.

15 2. Be organized and operated exclusively to receive,
16 hold, invest, and administer property, to raise funds and
17 accept gifts, and to make expenditures to implement the
18 activities, services, functions, and programs approved by the
19 council.

20 3. Be certified annually by the Office of Tourism,
21 Trade, and Economic Development as operating in a manner
22 consistent with the goals of the approved strategic plan for
23 the council.

24 4. Be governed by a board of directors whose
25 membership is synonymous with the membership of the
26 Entertainment Florida Council.

27 5. Make provisions for an annual postaudit of its
28 financial accounts to be conducted by an independent certified
29 public accountant in accordance with rules promulgated by the
30 Auditor General. The annual audit report shall include a
31 management letter and shall be submitted to the Auditor

1 General and the Office of Tourism, Trade, and Economic
2 Development for review. The Office of Tourism, Trade, and
3 Economic Development and the Auditor General shall have the
4 authority to require and receive from the organization or its
5 independent auditor any detail or supplemental data relative
6 to the operation of the organization.

7 6. Not be considered an agency for the purposes of
8 chapters 120, 216, and 287; ss. 255.21, 255.25, and 255.254,
9 relating to leasing of buildings; ss. 283.33 and 283.35,
10 relating to bids for printing; s. 215.31; and parts I, II, and
11 IV through VIII of chapter 112.

12 (d) Develop a 5-year strategic plan, by no later than
13 June 30, 1999, to guide the activities of the council. The
14 plan shall:

15 1. Be annual in construction and ongoing in nature.

16 2. Include recommendations relating to the
17 organizational structure of the council.

18 3. Include an annual budget projection for the council
19 for each year of the plan.

20 4. Include an operational model for the council to use
21 in implementing programs designed to:

22 a. Develop and promote the state's entertainment
23 industry.

24 b. Have the council serve as a liaison between the
25 entertainment industry and other state and local governmental
26 agencies and labor organizations.

27 c. Gather statistical information related to the
28 state's entertainment industry.

29 d. Provide information and service to businesses,
30 communities, organizations and individuals engaged in
31 entertainment industry activities.

1 5. Include recommendations regarding specific
2 performance standards and measurable outcomes for the
3 programs to be implemented by the council.

4 (e) Contract, notwithstanding the provisions of part I
5 of chapter 287, with the direct-support organization created
6 under paragraph (c) or with a designated Florida
7 not-for-profit corporation with experience in promotion and
8 development of the entertainment industry in Florida to carry
9 out the purpose and duties of the council, including, but not
10 limited to, implementation of the strategic plan prepared
11 under paragraph (d). The council shall serve as contract
12 administrator, subject to oversight by the Office of Tourism,
13 Trade, and Economic Development. Any contract entered into by
14 the council under this paragraph must include:

15 1. Specific and quantifiable performance measures to
16 assess the progress toward achievement of contract
17 deliverables;

18 2. Sanctions for failure to satisfy contract
19 requirements or deliverables;

20 3. Provisions to ensure that any state appropriations
21 in support of such contract are used exclusively for
22 activities in fulfillment of the contract;

23 4. Provisions for an annual accounting of expenditures
24 of any state funds appropriated in support of such contract;
25 and

26 5. Provisions to ensure that all records and meetings
27 directly related to the contracted responsibilities are open
28 and public, unless otherwise exempted by general law.

29 (f) Appear on its own behalf before boards,
30 commissions, departments, or other agencies of municipal,
31 county, or state government, or the Federal Government.

1 (g) Do any and all things necessary or convenient to
2 carry out the purposes of and exercise the powers granted in
3 this act.

4 Section 4. Section 288.12285, Florida Statutes, is
5 renumbered as section 288.1253, Florida Statutes, and amended
6 to read:

7 288.1253 ~~288.12285~~ Promotion and development of
8 entertainment industries; direct-support organization;
9 confidentiality of donor identities.--The identity of a donor
10 or prospective donor to the direct-support organization
11 authorized under s. 288.1252 ~~s. 288.1228~~ who desires to remain
12 anonymous and all information identifying such donor or
13 prospective donor are confidential and exempt from s.
14 119.07(1) and s. 24(a), Art. I of the State Constitution.
15 Such anonymity shall be maintained in audit reports. This
16 section expires October 2, 2001, and is subject to review by
17 the Legislature under the Open Government Sunset Review Act of
18 1995 in accordance with s. 119.15 before that date.

19 Section 5. Section 288.1254, Florida Statutes, is
20 created to read:

21 288.1254 Promotion and development of entertainment
22 industry; Entertainment Industry Commissioner; creation;
23 purpose; powers and duties.--

24 (1) CREATION.--

25 (a) There is hereby created within the Office of
26 Tourism, Trade, and Economic Development the position of
27 Entertainment Industry Commissioner for the purpose of
28 assisting the Entertainment Florida Council in developing,
29 promoting, and providing services to the state's entertainment
30 industry. The Entertainment Industry Commissioner shall
31 function as a liaison for the Governor and the Office of

1 Tourism, Trade, and Economic Development to coordinate efforts
2 of other governmental bodies with those of the Entertainment
3 Florida Council.

4 (b) The Office of Tourism, Trade, and Economic
5 Development shall conduct a search for a qualified person to
6 fill the position of Entertainment Industry Commissioner, and
7 the Director of the Office of Tourism, Trade, and Economic
8 Development shall appoint the Entertainment Industry
9 Commissioner.

10 (2) POWERS AND DUTIES.--

11 (a) The Entertainment Industry Commissioner, in
12 performance of his or her duties, shall:

13 1. Develop and facilitate a smooth working
14 relationship between state agencies and local governments in
15 cooperation with local film commission offices for
16 out-of-state and indigenous entertainment industry production
17 entities.

18 2. Represent the state's indigenous entertainment
19 industry to key decisionmakers within the national and
20 international entertainment industry, and to state and local
21 officials.

22 3. Serve as liaison between entertainment industry
23 producers and labor organizations.

24 (b) The Entertainment Industry Commissioner, in the
25 performance of his or her duties, may:

26 1. Exercise the powers granted by this act in any
27 state, territory, district, or possession of the United
28 States.

29 2. Carry out any program of information, special
30 events, or publicity designed to attract entertainment
31 industry to Florida.

1 3. Encourage and cooperate with other public and
2 private organizations or groups in their efforts to publicize
3 to the entertainment industry in this state, other states, and
4 other countries the depth of Florida's entertainment industry
5 talent, crew, production companies, production equipment
6 resources, related businesses, and support services, including
7 the establishment of and expenditure for a program of
8 cooperative advertising with these public and private
9 organizations and groups in accordance with the provisions of
10 chapter 120.

11 Section 6. Section 288.1255, Florida Statutes, is
12 created to read:

13 288.1255 Travel and entertainment expenses.--

14 (1) As used in this section:

15 (a) "Business client" means any person, other than a
16 state official or state employee, who receives the services
17 of, or is the subject of solicitation by, the Entertainment
18 Florida Council in connection with the performance of the
19 council's statutory duties, including persons or
20 representatives of entertainment industry companies
21 considering or being solicited for location, relocation, or
22 expansion of an entertainment industry business within the
23 state.

24 (b) "Entertainment expenses" means the actual,
25 necessary, and reasonable costs of providing hospitality for
26 business clients or guests, which costs are defined and
27 prescribed by rules adopted by the Office of Tourism, Trade,
28 and Economic Development, subject to approval by the
29 Comptroller.

30 (c) "Guest" means a person, other than a state
31 official or state employee, authorized by the Office of

1 Tourism, Trade, and Economic Development to receive the
2 hospitality of the Entertainment Florida Council in connection
3 with the performance of the council's statutory duties.

4 (d) "Travel expenses" means the actual, necessary, and
5 reasonable costs of transportation, meals, lodging, and
6 incidental expenses normally incurred by a traveler, which
7 costs are defined and prescribed by rules adopted by the
8 Office of Tourism, Trade, and Economic Development, subject to
9 approval by the Comptroller.

10 (2) Notwithstanding the provisions of s. 112.061, the
11 Office of Tourism, Trade, and Economic Development shall adopt
12 rules by which it may make expenditures by advancement or
13 reimbursement, or a combination thereof, to:

14 (a) State officers and state employees for travel
15 expenses or entertainment expenses incurred by such officers
16 and employees in connection with the performance of the
17 statutory duties of the Entertainment Florida Council.

18 (b) State officers and state employees for travel
19 expenses or entertainment expenses incurred by such officers
20 and employees on behalf of guests, business clients, or
21 authorized persons as defined in s. 112.061(2)(e) in
22 connection with the performance of the statutory duties of the
23 Entertainment Florida Council.

24 (c) Third party vendors for the travel or
25 entertainment expenses of guests, business clients, or
26 authorized persons as defined in s. 112.061(2)(e) incurred
27 while such persons are participating in activities or events
28 carried out by the Entertainment Florida Council in connection
29 with the council's statutory duties.

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1 The rules shall be subject to approval by the Comptroller
2 prior to promulgation. The rules shall require the submission
3 of paid receipts, or other proof of expenditure prescribed by
4 the Comptroller, with any claim for reimbursement and shall
5 require, as a condition for any advancement of funds, an
6 agreement to submit paid receipts or other proof of
7 expenditure and to refund any unused portion of the
8 advancement within 15 days after the expense is incurred or,
9 if the advancement is made in connection with travel, within
10 10 working days after the traveler's return to headquarters.
11 However, with respect to an advancement of funds made solely
12 for travel expenses, the rules may allow paid receipts or
13 other proof of expenditure to be submitted, and any unused
14 portion of the advancement to be refunded, within 10 working
15 days after the traveler's return to headquarters. Operational
16 or promotional advancements, as defined in s. 288.35(4),
17 obtained pursuant to this section shall not be commingled with
18 any other state funds.

19 (3) The Office of Tourism, Trade, and Economic
20 Development shall prepare an annual report of the expenditures
21 of the Entertainment Florida Council and provide such report
22 to the Legislature no later than December 30 of each year for
23 the expenditures of the previous fiscal year. The report shall
24 consist of a summary of all travel, entertainment, and
25 incidental expenses incurred within the United States and all
26 travel, entertainment, and incidental expenses incurred
27 outside the United States.

28 (4) Any claim submitted under this section shall not
29 be required to be sworn to before a notary public or other
30 officer authorized to administer oaths, but any claim
31 authorized or required to be made under any provision of this

1 section shall contain a statement that the expenses were
2 actually incurred as necessary travel or entertainment
3 expenses in the performance of official duties of the
4 Entertainment Florida Council and shall be verified by written
5 declaration that it is true and correct as to every material
6 matter. Any person who willfully makes and subscribes to any
7 claim which he or she does not believe to be true and correct
8 as to every material matter or who willfully aids or assists
9 in, procures, or counsels or advises with respect to, the
10 preparation or presentation of a claim pursuant to this
11 section that is fraudulent or false as to any material matter,
12 whether or not such falsity or fraud is with the knowledge or
13 consent of the person authorized or required to present the
14 claim, is guilty of a misdemeanor of the second degree,
15 punishable as provided in s. 775.082 or s. 775.083. Whoever
16 receives an advancement or reimbursement by means of a false
17 claim is civilly liable, in the amount of the overpayment, for
18 the reimbursement of the public fund from which the claim was
19 paid.

20 Section 7. Section 288.1258, Florida Statutes, is
21 created to read:

22 288.1258 Entertainment industry qualified production
23 companies; application procedure; categories; duties of the
24 Department of Revenue.--

25 (1)(a) Any production company engaged in this state in
26 the production of motion pictures, made-for-TV motion
27 pictures, television series, commercial advertising, music
28 videos, or music recordings, as they are defined in this act,
29 may submit an application to the Entertainment Industry
30 Commissioner to be approved as a qualified production company
31

1 for the purpose of receiving a sales and use tax certificate
2 of exemption from the Department of Revenue.

3 (b) For the purposes of this section, the term
4 "qualified production company" means any production company
5 that has submitted a properly completed application to the
6 Entertainment Industry Commissioner and is subsequently
7 qualified by the commissioner.

8 (2) APPLICATION PROCEDURE.--

9 (a)1. The Entertainment Industry Commissioner shall
10 establish a process by which an entertainment industry
11 production company may be approved as a qualified production
12 company and may receive a certificate of exemption from the
13 Department of Revenue for the sales and use tax exemptions
14 under ss. 212.031(1)(a)9., 212.06(1)(b), and 212.08(12)(a).

15 2. Upon determination by the Entertainment Industry
16 Commissioner that a production company meets the established
17 approval criteria and qualifies for exemption, the
18 Entertainment Industry Commissioner shall forward the approved
19 application or application renewal or extension to the
20 Department of Revenue, which shall issue a certificate of
21 exemption.

22 3. The Entertainment Industry Commissioner shall deny
23 an application or application for renewal or extension from a
24 production company if he or she determines that the production
25 company does not meet the established approval criteria.

26 (b) The Entertainment Industry Commissioner shall
27 develop, with the cooperation of the Department of Revenue and
28 local government entertainment industry promotion agencies, a
29 standardized application form for use in approving qualified
30 production companies.

31

1 1. The application form shall include, but not be
2 limited to, production-related information on employment,
3 proposed budgets, planned purchases of items exempted from
4 sales and use taxes under ss. 212.031(1)(a)9., 212.06(1)(b),
5 and 212.08(12)(a), a signed affirmation from the applicant
6 that any items purchased for which the applicant is seeking a
7 tax exemption are intended for use exclusively as an integral
8 part of entertainment industry preproduction, production or
9 postproduction activities engaged in primarily in this state,
10 and a signed affirmation from the Entertainment Industry
11 Commissioner that the information on the application form has
12 been verified and is correct. In lieu of information on
13 projected employment, proposed budgets, or planned purchases
14 of exempted items, a production company seeking a 1-year
15 certificate of exemption may submit summary historical data on
16 employment, production budgets, and purchases of exempted
17 items related to production activities in this state. Any
18 information gathered from production companies for the
19 purposes of this section shall be considered confidential
20 taxpayer information and shall be disclosed only as provided
21 in s. 213.053.

22 2. The application form may be distributed to
23 applicants by the Entertainment Industry Commissioner or local
24 government entertainment industry promotion agencies.

25 (c) All applications, renewals, and extensions for
26 designation as a qualified production company shall be
27 processed by the Entertainment Industry Commissioner.

28 (d) In the event that the Department of Revenue
29 determines that a production company no longer qualifies for,
30 or has otherwise used, a certificate of exemption for purposes
31 other than those authorized by this section and chapter 212,

1 the Department of Revenue shall revoke the certificate of
2 exemption of that production company, and any sales or use
3 taxes exempted on items purchased or leased by the production
4 company during the time such company did not qualify for a
5 certificate of exemption or improperly used a certificate of
6 exemption, shall become immediately due to the Department of
7 Revenue, along with interest and penalty as provided by
8 section 212.12. In addition to the other penalties imposed by
9 this part, any person who knowingly and willfully falsifies an
10 application, or uses a certificate of exemption for purposes
11 other than those authorized by this section and chapter 212,
12 commits a felony of the third degree, punishable as provided
13 in s. 775.082, s. 775.083, and s. 775.084.

14 (e) The Entertainment Industry Commissioner shall
15 develop and periodically update, in cooperation with local
16 government entertainment industry promotion agencies,
17 entertainment industry representatives, and program directors
18 of public postsecondary institutions which house and operate
19 entertainment industry production facilities, a list of
20 products and services commonly used by entertainment industry
21 producers in connection with preproduction, production, and
22 postproduction activities described in this act and in s.
23 212.08(12)(b), which shall be made available to production
24 companies applying for designation as a qualified production
25 company.

26 (3) CATEGORIES.--

27 (a)1. A production company may be qualified for
28 designation as a qualified production company for a period of
29 1 year if the company has operated a business in Florida at a
30 permanent address for a period of 12 consecutive months. Such
31 a qualified production company shall receive a single 1-year

1 certificate of exemption from the Department of Revenue for
2 the sales and use tax exemptions under ss. 212.031(1)(a)9.,
3 212.06(1)(b), and 212.08(12)(a), which certificate shall
4 expire 1 year after issuance or upon the cessation of business
5 operations in the state, at which time the certificate shall
6 be surrendered to the Department of Revenue.

7 2. The Entertainment Industry Commissioner shall
8 develop a method by which a qualified production company may
9 annually renew a 1-year certificate of exemption for a period
10 of up to 5 years without requiring the production company to
11 resubmit a new application during that 5-year period.

12 3. Any qualified production company may submit a new
13 application for a 1-year certificate of exemption upon the
14 expiration of that company's certificate of exemption.

15 (b)1. A production company may be qualified for
16 designation as a qualified production company for a period of
17 90-days. Such production company shall receive a single 90-day
18 certificate of exemption from the Department of Revenue for
19 the sales and use tax exemptions under ss. 212.031(1)(a)9.,
20 212.06(1)(b), and 212.08(12)(a), which certificate shall
21 expire 90 days after issuance, with extensions contingent upon
22 approval of the Entertainment Industry Commissioner. The
23 certificate shall be surrendered to the Department of Revenue
24 upon its expiration.

25 2. Any production company may submit a new application
26 for a 90-day certificate of exemption upon the expiration of
27 that company's certificate of exemption.

28 (4) DUTIES OF THE DEPARTMENT OF REVENUE.--

29 (a) The Department of Revenue shall issue a numbered
30 certificate of exemption to a qualified production company
31 within 5 working days of the receipt of a properly completed

1 and approved application, application renewal, or application
2 extension from the Entertainment Industry Commissioner.

3 (b) The Department of Revenue shall promulgate such
4 rules and shall prescribe and publish such forms as may be
5 necessary to effectuate the purposes of this act or any of the
6 sales tax exemptions which are reasonably related to the
7 provisions of this act.

8 (c) The Department of Revenue is authorized to
9 establish audit procedures in accordance with the provisions
10 of ss. 212.12 and 212.13 which relate to the sales tax
11 exemption provisions of this act.

12 Section 8. Florida Entertainment Industry Model
13 Permitting Task Force; creation; membership; powers and
14 duties; report.--There is created within the Office of
15 Tourism, Trade, and Economic Development, for a period of one
16 year, a task force for the purpose of developing a model for
17 uniform permits for use by state agencies and county and
18 municipal governments.

19 (1) Members of the task force shall be appointed by the
20 Governor no later than July 1, 1998, for a period of 1 year
21 and shall include one representative from each of the
22 following:

23 (a) The Office of Tourism, Trade, and Economic
24 Development.

25 (b) The Department of Environmental Protection.

26 (c) The Division of Recreation and Parks of the
27 Department of Environmental Protection.

28 (d) The Department of Transportation.

29 (e) The Office of the State Fire Marshal.

30 (f) The Board of Regents.

31 (g) The Florida League of Cities.

- 1 (h) The Florida Association of Counties.
2 (i) The Department of Highway Safety and Motor
3 Vehicles.
4 (j) The Division of Law Enforcement of the Department
5 of Environmental Protection.
6 (k) The Department of Community Affairs.
7 (l) The Department of Corrections.
8 (m) The Florida Film Commissioner's Association.
9 (n) Each of the state's two largest motion-picture
10 production studios.
11 (o) The Florida Motion Picture and Television
12 Association.
13 (p) The recording industry.
14 (q) The commercial advertising industry.
15 (2) The task force shall meet as often as necessary to
16 develop a report which shall be given to the Governor, the
17 President of the Senate, and the Speaker of the House of
18 Representatives no later than June 30, 1999, which shall
19 include:
20 (a) A recommendation for model permits for use by
21 state agencies and county and municipal governments in
22 granting temporary permits to entertainment industry
23 businesses in the process of production activities.
24 (b) Cost recommendations for use of state and local
25 government buildings, property, and personnel.
26 (c) Recommendations for developing a timetable for
27 securing state and local environmental permits during the
28 preproduction and production stages of an entertainment
29 industry project.
30 (3) The task force shall elect a chair who will set
31 the meeting schedules for the task force.

1 (4) The Office of Tourism, Trade, and Economic
2 Development may provide staff assistance to the task force for
3 the purpose of recording the minutes of each meeting.

4 (5) Members of the task force shall serve without
5 compensation, but shall be entitled to reimbursement for per
6 diem and travel expenses in accordance with s. 112.061 while
7 in the performance of their duties.

8 Section 9. Subsection (2) of section 14.2015, Florida
9 Statutes, is amended to read:

10 14.2015 Office of Tourism, Trade, and Economic
11 Development; creation; powers and duties.--

12 (2) The purpose of the Office of Tourism, Trade, and
13 Economic Development is to assist the Governor in working with
14 the Legislature, state agencies, business leaders, and
15 economic development professionals to formulate and implement
16 coherent and consistent policies and strategies designed to
17 provide economic opportunities for all Floridians. To
18 accomplish such purposes, the Office of Tourism, Trade, and
19 Economic Development shall:

20 ~~(a) Contract, notwithstanding the provisions of part I~~
21 ~~of chapter 287, with the direct-support organization created~~
22 ~~under s. 288.1228, or a designated Florida not-for-profit~~
23 ~~corporation whose board members have had prior experience in~~
24 ~~promoting, throughout the state, the economic development of~~
25 ~~the Florida motion picture, television, radio, video,~~
26 ~~recording, and entertainment industries, to guide, stimulate,~~
27 ~~and promote the entertainment industry in the state.~~

28 (a)(b) Contract, notwithstanding the provisions of
29 part I of chapter 287, with the direct-support organization
30 created under s. 288.1229 to guide, stimulate, and promote the
31 sports industry in the state.

1 **(b)**~~(c)~~ Monitor the activities of public-private
2 partnerships and state agencies in order to avoid duplication
3 and promote coordinated and consistent implementation of
4 programs in areas including, but not limited to, tourism;
5 international trade and investment; business recruitment,
6 creation, retention, and expansion; minority and small
7 business development; and rural community development.

8 **(c)**~~(d)~~ Facilitate the direct involvement of the
9 Governor and the Lieutenant Governor in economic development
10 projects designed to create, expand, and retain Florida
11 businesses and to recruit worldwide business.

12 **(d)**~~(e)~~ Assist the Governor, in cooperation with
13 Enterprise Florida, Inc., and the Florida Commission on
14 Tourism, in preparing an annual report to the Legislature on
15 the state of the business climate in Florida and on the state
16 of economic development in Florida which will include the
17 identification of problems and the recommendation of
18 solutions. This report shall be submitted to the President of
19 the Senate, the Speaker of the House of Representatives, the
20 Senate Minority Leader, and the House Minority Leader by
21 January 1 of each year, and it shall be in addition to the
22 Governor's message to the Legislature under the State
23 Constitution and any other economic reports required by law.

24 **(e)**~~(f)~~ Plan and conduct at least three meetings per
25 calendar year of leaders in business, government, and economic
26 development called by the Governor to address the business
27 climate in the state, develop a common vision for the economic
28 future of the state, and identify economic development efforts
29 to fulfill that vision.

30 **(f)**~~(g)~~1. Administer the Florida Enterprise Zone Act
31 under ss. 290.001-290.016, the community contribution tax

1 credit program under ss. 220.183 and 624.5105, the tax refund
2 program for qualified target industry businesses under s.
3 288.106, contracts for transportation projects under s.
4 288.063, the sports franchise facility program under s.
5 288.1162, the professional golf hall of fame facility program
6 under s. 288.1168, the Florida Jobs Siting Act under ss.
7 403.950-403.972, the Rural Community Development Revolving
8 Loan Fund under s. 288.065, the Regional Rural Development
9 Grants Program under s. 288.018, the Florida State Rural
10 Development Council, and the Rural Economic Development
11 Initiative.

12 2. The office may enter into contracts in connection
13 with the fulfillment of its duties concerning the Florida
14 First Business Bond Pool under chapter 159, tax incentives
15 under chapters 212 and 220, foreign offices under chapter 288,
16 the Enterprise Zone program under chapter 290, the Seaport
17 Employment Training program under chapter 311, the Florida
18 Professional Sports Team License Plates under chapter 320,
19 Spaceport Florida under chapter 331, Job Siting and Expedited
20 Permitting under chapter 403, and in carrying out other
21 functions that are specifically assigned to the office by law.

22 ~~(g)(h)~~ Serve as contract administrator for the state
23 with respect to contracts with Enterprise Florida, Inc., the
24 Florida Commission on Tourism, and all direct-support
25 organizations under this act, excluding those relating to
26 tourism. To accomplish the provisions of this act and
27 applicable provisions of chapter 288, and notwithstanding the
28 provisions of part I of chapter 287, the office shall enter
29 into specific contracts with Enterprise Florida, Inc., the
30 Florida Commission on Tourism, the Entertainment Florida
31 Council, and other appropriate direct-support organizations.

1 Such contracts may be multiyear and shall include specific
2 performance measures for each year. The office shall provide
3 the President of the Senate and the Speaker of the House of
4 Representatives with a report by February 1 of each year on
5 the status of these contracts, including the extent to which
6 specific contract performance measures have been met by these
7 contractors.

8 (h)~~(i)~~ Prepare and submit as a separate budget entity
9 a unified budget request for tourism, trade, and economic
10 development in accordance with chapter 216 for, and in
11 conjunction with, Enterprise Florida, Inc., and its boards,
12 the Florida Commission on Tourism and its direct-support
13 organization, the Florida Black Business Investment Board, the
14 Entertainment Florida Council, and the direct-support
15 organization ~~organizations~~ created to promote the
16 ~~entertainment~~ and sports industries.

17 (i)~~(j)~~ Promulgate rules to carry out its functions in
18 connection with the administration of the Qualified Target
19 Industry program, the Qualified Defense Contractor program,
20 the Enterprise Zone program, and the Florida First Business
21 Bond pool.

22 Section 10. Effective January 1, 1999, paragraph (a)
23 of subsection (1) of section 212.031, Florida Statutes, is
24 amended to read:

25 212.031 Lease or rental of or license in real
26 property.--

27 (1)(a) It is declared to be the legislative intent
28 that every person is exercising a taxable privilege who
29 engages in the business of renting, leasing, letting, or
30 granting a license for the use of any real property unless
31 such property is:

- 1 1. Assessed as agricultural property under s. 193.461.
- 2 2. Used exclusively as dwelling units.
- 3 3. Property subject to tax on parking, docking, or
- 4 storage spaces under s. 212.03(6).
- 5 4. Recreational property or the common elements of a
- 6 condominium when subject to a lease between the developer or
- 7 owner thereof and the condominium association in its own right
- 8 or as agent for the owners of individual condominium units or
- 9 the owners of individual condominium units. However, only the
- 10 lease payments on such property shall be exempt from the tax
- 11 imposed by this chapter, and any other use made by the owner
- 12 or the condominium association shall be fully taxable under
- 13 this chapter.
- 14 5. A public or private street or right-of-way occupied
- 15 or used by a utility for utility purposes.
- 16 6. A public street or road which is used for
- 17 transportation purposes.
- 18 7. Property used at an airport exclusively for the
- 19 purpose of aircraft landing or aircraft taxiing or property
- 20 used by an airline for the purpose of loading or unloading
- 21 passengers or property onto or from aircraft or for fueling
- 22 aircraft.
- 23 8.a. Property used at a port authority, as defined in
- 24 s. 315.02(2), exclusively for the purpose of oceangoing
- 25 vessels or tugs docking, or such vessels mooring on property
- 26 used by a port authority for the purpose of loading or
- 27 unloading passengers or cargo onto or from such a vessel, or
- 28 property used at a port authority for fueling such vessels, or
- 29 to the extent that the amount paid for the use of any property
- 30 at the port is based on the charge for the amount of tonnage
- 31 actually imported or exported through the port by a tenant.

1 b. The amount charged for the use of any property at
2 the port in excess of the amount charged for tonnage actually
3 imported or exported shall remain subject to tax except as
4 provided in sub-subparagraph a.

5 9. Property used as an integral part of the
6 preproduction, production, and postproduction activities by a
7 qualified production company as these terms are defined in s.
8 212.08(12). This exemption will inure to the taxpayer upon
9 presentation of the certificate of exemption issued to the
10 taxpayer under the provisions of s. 288.1258.~~performance of~~
11 ~~qualified production services. As used in this subparagraph,~~
12 ~~the term "qualified production services" means any activity or~~
13 ~~service performed directly in connection with the production~~
14 ~~of a qualified motion picture, as defined in s. 212.06(1)(b),~~
15 ~~and includes:~~

16 a. ~~Photography, sound and recording, casting, location~~
17 ~~managing and scouting, shooting, creation of special and~~
18 ~~optical effects, animation, adaptation (language, media,~~
19 ~~electronic, or otherwise), technological modifications,~~
20 ~~computer graphics, set and stage support (such as~~
21 ~~electricians, lighting designers and operators, greensmen,~~
22 ~~prop managers and assistants, and grips), wardrobe (design,~~
23 ~~preparation, and management), hair and makeup (design,~~
24 ~~production, and application), performing (such as acting,~~
25 ~~dancing, and playing), designing and executing stunts,~~
26 ~~coaching, consulting, writing, scoring, composing,~~
27 ~~choreographing, script supervising, directing, producing,~~
28 ~~transmitting dailies, dubbing, mixing, editing, cutting,~~
29 ~~looping, printing, processing, duplicating, storing, and~~
30 ~~distributing;~~

1 ~~b. The design, planning, engineering, construction,~~
2 ~~alteration, repair, and maintenance of real or personal~~
3 ~~property including stages, sets, props, models, paintings, and~~
4 ~~facilities principally required for the performance of those~~
5 ~~services listed in sub-subparagraph a.; and~~

6 ~~c. Property management services directly related to~~
7 ~~property used in connection with the services described in~~
8 ~~sub-subparagraphs a. and b.~~

9 10. Leased, subleased, or rented to a person providing
10 food and drink concessionaire services within the premises of
11 a movie theater, a business operated under a permit issued
12 pursuant to chapter 550, or any publicly owned arena, sports
13 stadium, convention hall, exhibition hall, auditorium, or
14 recreational facility. A person providing retail
15 concessionaire services involving the sale of food and drink
16 or other tangible personal property within the premises of an
17 airport shall be subject to tax on the rental of real property
18 used for that purpose, but shall not be subject to the tax on
19 any license to use the property. For purposes of this
20 subparagraph, the term "sale" shall not include the leasing of
21 tangible personal property.

22 11. Property occupied pursuant to an instrument
23 calling for payments which the department has declared, in a
24 Technical Assistance Advisement issued on or before March 15,
25 1993, to be nontaxable pursuant to rule 12A-1.070(19)(c),
26 Florida Administrative Code; provided that this subparagraph
27 shall only apply to property occupied by the same person
28 before and after the execution of the subject instrument and
29 only to those payments made pursuant to such instrument,
30 exclusive of renewals and extensions thereof occurring after
31 March 15, 1993.

1 Section 11. Effective January 1, 1999, paragraph (b)
2 of subsection (1) of section 212.06, Florida Statutes, is
3 amended to read:

4 212.06 Sales, storage, use tax; collectible from
5 dealers; "dealer" defined; dealers to collect from purchasers;
6 legislative intent as to scope of tax.--

7 (1)

8 (b) Except as otherwise provided, any person who
9 manufactures, produces, compounds, processes, or fabricates in
10 any manner tangible personal property for his or her own use
11 shall pay a tax upon the cost of the product manufactured,
12 produced, compounded, processed, or fabricated without any
13 deduction therefrom on account of the cost of material used,
14 labor or service costs, or transportation charges,
15 notwithstanding the provisions of s. 212.02 defining "cost
16 price." However, the tax levied under this paragraph shall
17 not be imposed upon any person who manufactures or produces
18 electrical power or energy, steam energy, or other energy at a
19 single location, when such power or energy is used directly
20 and exclusively at such location, or at other locations if the
21 energy is transferred through facilities of the owner in the
22 operation of machinery or equipment that is used to
23 manufacture, process, compound, produce, fabricate, or prepare
24 for shipment tangible personal property for sale or to operate
25 pollution control equipment, maintenance equipment, or
26 monitoring or control equipment used in such operations. The
27 manufacture or production of electrical power or energy that
28 is used for space heating, lighting, office equipment, or
29 air-conditioning or any other nonmanufacturing, nonprocessing,
30 noncompounding, nonproducing, nonfabricating, or nonshipping
31 activity is taxable. Electrical power or energy consumed or

1 dissipated in the transmission or distribution of electrical
2 power or energy for resale is also not taxable. Fabrication
3 labor shall not be taxable when a person is using his or her
4 own equipment and personnel, for his or her own account, as an
5 integral part of the preproduction, production, and post
6 production activities by a qualified production company as
7 these terms are defined in s. 212.08(12). This exemption will
8 inure to the taxpayer upon presentation of the certificate of
9 exemption issued to the taxpayer under the provisions of s.
10 288.1258.a producer, subproducer, or coproducer of a
11 qualified motion picture. For purposes of this chapter, the
12 term "qualified motion picture" means all or any part of a
13 series of related images, either on film, tape, or other
14 embodiment, including, but not limited to, all items
15 comprising part of the original work and film-related products
16 derived therefrom as well as duplicates and prints thereof and
17 all sound recordings created to accompany a motion picture,
18 which is produced, adapted, or altered for exploitation in,
19 on, or through any medium or device and at any location,
20 primarily for entertainment, commercial, industrial, or
21 educational purposes.A person who manufactures factory-built
22 buildings for his or her own use in the performance of
23 contracts for the construction or improvement of real property
24 shall pay a tax only upon the person's cost price of items
25 used in the manufacture of such buildings.

26 Section 12. Effective January 1, 1999, section
27 212.0602, Florida Statutes, is amended to read:

28 212.0602 Education; limited exemption.--To facilitate
29 investment in education and job training, there is also exempt
30 from the taxes levied under this chapter, subject to the
31 provisions of this section, the purchase or lease of

1 materials, equipment, real or personal property, and other
2 items by any entity, institution, or organization that is
3 primarily engaged in teaching students to perform any of the
4 activities or services described in s. 212.08(12)(b)
5 ~~212.031(1)(a)9.~~, that conducts classes at a fixed location
6 located in this state, that is licensed under chapter 246, and
7 that has at least 500 enrolled students. Any entity,
8 institution, or organization meeting the requirements of this
9 section shall be deemed to qualify for the exemptions afforded
10 a qualified production company as defined in s. 212.08(12)(b)
11 ~~in ss. 212.031(1)(a)9. and 212.08(5)(f) and (12),~~ and to
12 qualify for an exemption for its purchase or lease of
13 materials, equipment, real or personal property and other
14 items used for education or demonstration of the school's
15 curriculum including supporting operations. Nothing in this
16 section shall preclude an entity described in this section
17 from qualifying for any other exemption provided for in this
18 chapter.

19 Section 13. Effective January 1, 1999, subsection (12)
20 of section 212.08, Florida Statutes, is amended to read:

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

27 (12) PARTIAL EXEMPTION; MASTER TAPES, RECORDS, FILMS,
28 OR VIDEO TAPES; EXEMPTION; ENTERTAINMENT INDUSTRY PRODUCTION
29 EQUIPMENT.--

30 (a) There are exempt from the taxes imposed by this
31 chapter:

1 1. The gross receipts from the sale or lease of, and
2 the storage, use, or other consumption in this state of,
3 master tapes or master records embodying sound, or master
4 films or master video tapes; except that amounts paid to
5 recording studios or motion picture or television studios for
6 the tangible elements of such master tapes, records, films, or
7 video tapes are taxable as otherwise provided in this chapter.
8 This exemption will inure to the taxpayer upon presentation of
9 the certificate of exemption issued to the taxpayer under the
10 provisions of s. 288.1258.

11 2. The gross receipts from the sale or lease of, and
12 the storage, use, or other consumption of motion picture or
13 video and sound recording equipment used as an integral part
14 of production or postproduction activities in this state by a
15 qualified production company as defined in this subsection.
16 This exemption shall inure to the taxpayer upon presentation
17 by the purchaser or lessee to the vendor of the certificate of
18 exemption issued to the taxpayer under the provisions of s.
19 288.1258. For the purpose of the exemption provided in this
20 subparagraph, entertainment industry equipment shall be
21 categorized as belonging to one of the following five groups
22 and shall be itemized by type on a list annually compiled and
23 published no later than January 1, 1999, and January 1 of each
24 year thereafter, by the Entertainment Industry Commissioner
25 created under s. 288.1254:

26 a. Production cameras, lenses, and camera accessory
27 equipment.

28 b. Production lighting and grip equipment.

29 c. Production audio or video recording and playback
30 equipment.

31

1 d. Postproduction editing equipment and special
2 effects programs and digitizing equipment.

3 e. Animation and related computer equipment, computer
4 programs, audio and video recording and playback equipment,
5 and specialized artist workstations.

6 (b) For the purposes of this subsection, the term:

7 1. "Amounts paid for the tangible elements" does not
8 include any amounts paid for the copyrightable, artistic, or
9 other intangible elements of such master tapes, records,
10 films, or video tapes, whether designated as royalties or
11 otherwise, ~~including, but not limited to, services rendered~~
12 ~~in producing, fabricating, processing, or imprinting tangible~~
13 ~~personal property or any other services or production expenses~~
14 ~~in connection therewith which may otherwise be construed as~~
15 ~~constituting a "sale" under s. 212.02.~~

16 2. "Master films or master video tapes" means films or
17 video tapes utilized by the motion picture and television
18 production industries in making visual images for
19 reproduction.

20 3. "Master tapes or master records embodying sound"
21 means tapes, records, and other devices utilized by the
22 recording industry in making recordings embodying sound.

23 4. "Motion picture or television studio" means a
24 facility in which film or video tape productions or parts of
25 productions are made and which contains the necessary
26 equipment and personnel for this purpose and includes a mobile
27 unit or vehicle that is equipped in much the same manner as a
28 stationary studio and used in the making of film or video tape
29 productions.

30 5. "Recording studio" means a place where, by means of
31 mechanical or electronic devices, voices, music, or other

1 sounds are transmitted to tapes, records, or other devices
2 capable of reproducing sound.

3 6. "Recording industry" means any person engaged in an
4 occupation or business of making recordings embodying sound
5 for a livelihood or for a profit.

6 7. "Sound recording" means a recording of voices,
7 music, or other sounds by mechanical or electronic
8 transmission to tapes, records, or other devices capable of
9 storing and reproducing sound.

10 ~~7. "Motion picture or television production industry"~~
11 ~~means any person engaged in an occupation or business for a~~
12 ~~livelihood or for profit of making visual motion picture or~~
13 ~~television visual images for showing on screen or television~~
14 ~~for theatrical, commercial, advertising, or educational~~
15 ~~purposes.~~

16 8. "Music video production" means a cohesive
17 compilation of motion pictures with a specific sound recording
18 product for the purpose of broadcasting on a music television
19 network or commercial distribution.

20 9. "Motion picture" means any live-action or animated
21 feature-length or short-subject audiovisual work at any stage
22 of the production, consisting of a series of related images,
23 either on film, tape, or other embodiment, including, but not
24 limited to, all items comprising part of the work and
25 film-related products derived therefrom as well as duplicates
26 and prints thereof and all sound recordings created to
27 accompany a motion picture, which is produced, adapted, or
28 altered for exploitation in, on, or through any medium or
29 device and at any location, primarily for entertainment,
30 commercial, industrial, or educational purposes.

31

1 10. "Commercial advertising production" means any
2 film, video, audio, or photographic production that is created
3 to promote statewide, nationally, or internationally specific
4 brands, products, services, retailers, or advocacy positions
5 for commercial purposes.

6 11. "Production" means any production, or any part
7 thereof, of motion pictures, made-for-TV motion pictures,
8 television series, commercial advertising, music videos, or
9 sound recordings as defined in this subsection.

10 12. "Preproduction activities" means those preliminary
11 activities performed directly in connection with the
12 production, or any part thereof, of a motion picture,
13 made-for-TV motion picture, television series, commercial
14 advertising production, music video, or sound recording, which
15 include, but are not limited to, obtaining story rights,
16 script writing, story boarding, budgeting, scheduling, and
17 assembling the financing, producers, director, and prime
18 talent.

19 13. "Production activities" means those activities
20 performed directly in connection with the production, or any
21 part thereof, of a motion picture, made-for-TV motion picture,
22 television series, commercial advertising production, music
23 video, or sound recording which include, but are not limited
24 to, location scouting and managing, set construction and
25 acquisition, props acquisition, wardrobe construction and
26 acquisition, hair and makeup design and execution,
27 cinematography, photography, videography, sound recording, and
28 personnel travel and meal acquisition and related activities.

29 14. "Postproduction activities" means those activities
30 performed directly in connection with transforming the
31 individual images and sounds recorded during production into a

1 cohesive body, which include, but are not limited to, editing,
2 dubbing, creating supplementary soundtracks, automated
3 dialogue replacement, foley stage recording, sound mixing,
4 creating special effects, two-dimensional and
5 three-dimensional graphics and animation, and creating credit
6 titles.

7 15. "Qualified production company" means any
8 production company that causes to be made a motion picture,
9 made-for-TV motion picture, television series, commercial
10 advertising, music video, or sound recording, or any part
11 thereof, primarily for entertainment, commercial, industrial,
12 or educational purposes and that has submitted a properly
13 completed application to the Entertainment Industry
14 Commissioner and is subsequently qualified by the
15 commissioner.

16 16. "Entertainment industry" means any person engaged
17 in the operation of motion picture or television studios or
18 recording studios, or any person engaged in the production of
19 motion pictures, made-for-TV motion pictures, television
20 series, commercial advertising, music videos, or sound
21 recordings.

22 (c) The Entertainment Industry Commissioner shall keep
23 annual records from the information provided on taxpayer
24 applications for tax exemption certificates beginning with the
25 effective date of the tax exemptions provided by this
26 subsection. These records shall reflect a percentage
27 comparison of the annual amount of funds exempted to the
28 estimated amount of funds expended in relation to
29 entertainment industry products, and shall keep data showing
30 annual growth in Florida-based entertainment industry
31 companies and entertainment industry employment and wages.

1 The Entertainment Industry Commissioner shall report this
2 information to the Legislature by no later than December 1 of
3 each year.

4 (d) This subsection shall be repealed October 1, 2008,
5 subject to a review to be completed by the Legislature prior
6 to the conclusion of the 2008 Regular Session of the
7 Legislature.

8 Section 14. Paragraph (o) is added to subsection (7)
9 of s. 213.053, F.S., to read:

10 213.053 Confidentiality and information sharing.--

11 (7) Notwithstanding any other provision of this
12 section, the department may provide:

13 (o) Information relative to the tax exemptions under
14 ss. 212.031(1)(a)9., 212.06(1)(b), and 212.08(12)(a)1. and 2.
15 to the Entertainment Industry Commissioner.

16
17 Disclosure of information under this subsection shall be
18 pursuant to a written agreement between the executive director
19 and the agency. Such agencies, governmental or
20 nongovernmental, shall be bound by the same requirements of
21 confidentiality as the Department of Revenue. Breach of
22 confidentiality is a misdemeanor of the first degree,
23 punishable as provided by s. 775.082 or s. 775.083.

24 Section 15. Paragraph (e) of subsection (6) of section
25 288.108, Florida Statutes, is amended to read:

26 288.108 High-impact business.--

27 (6) SELECTION AND DESIGNATION OF HIGH-IMPACT
28 SECTORS.--

29 (e) The study and its findings and recommendations and
30 the recommendations gathered from the sector-business network
31 must be discussed and considered during at least one of the

1 ~~quarterly~~ meetings required in s. 14.2015(2)(e)~~s.~~
2 ~~14.2015(2)(h)~~.

3 Section 16. Subsection (7) of section 288.90152,
4 Florida Statutes, is amended to read:

5 288.90152 Pilot matching grant program.--

6 (7) Upon completing all training funded under this
7 pilot program, the Office of Tourism, Trade, and Economic
8 Development shall report on the outputs and outcomes for this
9 program as part of the annual report prepared under s.
10 14.2015(2)(d)~~s. 14.2015(2)(g)~~. Such report must include a
11 recommendation on whether it would be sound public policy to
12 continue or discontinue funding for the program.

13 Section 17. Effective January 1, 1999, paragraph (f)
14 of subsection (5) of section 212.08, Florida Statutes, is
15 repealed.

16 Section 18. Sections 288.051, 288.052, 288.053,
17 288.054, 288.055, 288.056, 288.057, and 288.1228, Florida
18 Statutes, are repealed.

19 Section 19. Except as otherwise provided in this act,
20 this act shall take effect upon becoming law.

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1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 SB 1612

4 The committee substitute differs substantially and principally
5 from Senate Bill 1612 by:

6 Creating a position of Entertainment Industry Commissioner
7 within the Office of Tourism, Trade, and Economic Development
8 (OTTED), rather than creating an Office of Entertainment
9 Industry Commissioner within OTTED;

10 Reducing the size from 17 to 11 members of the new
11 Entertainment Florida Council, and providing that all council
12 members shall be appointed by the Governor and confirmed by
13 the Senate, rather than having members appointed by the
14 Governor, the President of the Senate, and the Speaker of the
15 House of Representatives;

16 Assigning to the council primary responsibility for promoting
17 the growth of, and providing services to, the entertainment
18 industry in Florida; and charging the Entertainment Industry
19 Commissioner with responsibility for assisting the council and
20 for acting as a liaison on behalf of the Governor and OTTED to
21 coordinate various efforts;

22 Authorizing the council to contract with its own
23 direct-support organization or with a designated Florida
24 not-for-profit corporation with experience in entertainment
25 industry promotion to carry out the purpose and duties of the
26 council;

27 Removing the provision from SB 1612 creating the Florida
28 Entertainment Industry Incentive Grant Program;

29 Removing the provision from SB 1612 creating a sales tax
30 refund on 30 percent of the gross receipts from the sale or
31 lease of certain taxable items and service related to a
 qualified entertainment industry production company; and

32 Removing the provision from SB 1612 authorizing the Office of
33 the Entertainment Industry Commissioner and its employees and
34 representatives to request, accept, and use complimentary
35 travel, accommodations, meeting space, meals, equipment,
36 transportation, and other items necessary for performance of
37 the office's duties as long as such solicitation, acceptance,
38 or use is not in conflict with part III of chapter 112.