

By Representative Constantine

1 A bill to be entitled
2 An act relating to the tax on sales, use, and
3 other transactions; amending s. 212.08, F.S.;
4 expanding the applicability of an exemption for
5 motion picture or video equipment and sound
6 recording equipment used in production
7 activities; providing an effective date.

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

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11 Section 1. Paragraph (f) of subsection (5) of section
12 212.08, Florida Statutes, 1996 Supplement, is amended to read:

13 212.08 Sales, rental, use, consumption, distribution,
14 and storage tax; specified exemptions.--The sale at retail,
15 the rental, the use, the consumption, the distribution, and
16 the storage to be used or consumed in this state of the
17 following are hereby specifically exempt from the tax imposed
18 by this part.

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

20 (f) Motion picture or video equipment used in motion
21 picture or television production activities and sound
22 recording equipment used in the production of master tapes and
23 master records.--

24 1. Motion picture or video equipment and sound
25 recording equipment purchased or leased for use in this state
26 in production activities is exempt from the tax imposed by
27 this chapter upon an affirmative showing by the purchaser or
28 lessee to the satisfaction of the department that the
29 equipment will be used for production activities. The
30 exemption provided by this paragraph shall inure to the
31 taxpayer only through a refund of previously paid taxes.

1 Notwithstanding the provisions of s. 212.095, such refund
2 shall be made within 30 days of formal application, which
3 application may be made after the completion of production
4 activities or on a quarterly basis. Notwithstanding the
5 provisions of chapter 213, the department shall provide the
6 Department of Commerce with a copy of each refund application
7 and the amount of such refund, if any.

8 2. For the purpose of the exemption provided in
9 subparagraph 1.:

10 a. "Motion picture or video equipment" and "sound
11 recording equipment" includes only equipment meeting the
12 definition of "section 38 property" as defined in s.
13 48(a)(1)(A) and (B)(i) of the Internal Revenue Code that is
14 used by the lessee or purchaser exclusively as an integral
15 part of production activities; however, motion picture or
16 video equipment and sound recording equipment does not include
17 supplies, tape, records, film, or video tape used in
18 productions or other similar items; vehicles or vessels; or
19 general office equipment not specifically suited to production
20 activities. ~~In addition, the term does not include equipment~~
21 ~~purchased or leased by television or radio broadcasting or~~
22 ~~cable companies licensed by the Federal Communications~~
23 ~~Commission.~~

24 b. "Production activities" means activities directed
25 toward the preparation of a:

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

27 (II) Motion picture or television production which is
28 produced for theatrical, commercial, advertising, or
29 educational purposes and utilizes live or animated actions or
30 a combination of live and animated actions. The motion picture
31 or television production shall be commercially produced for

1 sale or for showing on screens or broadcasting on television
2 and may be on film or video tape.

3 Section 2. This act shall take effect July 1, 1997.

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SENATE SUMMARY

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Expands the exemption from the tax on sales, use, and
other transactions which is currently provided for motion
picture or video equipment and sound recording equipment
used in production activities, so that the exemption
applies to commercial broadcasters and cable companies.

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