

By Representatives Byrd and Hart

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 providing an exemption from the tax on sales,
5 use, and other transactions for machinery and
6 equipment purchased or leased for use in the
7 production, transmission, receipt, or
8 redistribution of digital television signals;
9 providing an effective date.

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

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13 Section 1. Paragraph (f) of subsection (5) of section
14 212.08, Florida Statutes, is amended to read:

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

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

22 (f) Motion picture or video equipment used in motion
23 picture or television production activities and sound
24 recording equipment used in the production of master tapes and
25 master records; property purchased or leased to produce,
26 transmit, receive, or redistribute digital television
27 signals.--

28 1. Motion picture or video equipment and sound
29 recording equipment purchased or leased for use in this state
30 in production activities is exempt from the tax imposed by
31 this chapter upon an affirmative showing by the purchaser or

1 lessee to the satisfaction of the department that the
2 equipment will be used for production activities.

3 2. There is exempt from the tax imposed by this
4 chapter all machinery and equipment purchased or leased in
5 this state for use by a television studio, television network,
6 television production company, or federally licensed
7 television station in the production, origination, broadcast,
8 transmission, receipt, or redistribution of digital television
9 signals.

10 3. The exemptions ~~exemption~~ provided by this paragraph
11 shall inure to the taxpayer only through a refund of
12 previously paid taxes. Notwithstanding the provisions of s.
13 212.095, such refund shall be made within 30 days of formal
14 application, which application may be made after the
15 completion of production activities or on a quarterly basis.
16 Notwithstanding the provisions of chapter 213, the department
17 shall provide the Department of Commerce with a copy of each
18 refund application and the amount of such refund, if any.

19 ~~4.2.~~ For the purpose of the exemption provided in
20 subparagraph 1.:

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

1 purchased or leased by television or radio broadcasting or
2 cable companies licensed by the Federal Communications
3 Commission.

4 b. "Production activities" means activities directed
5 toward the preparation of a:

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

7 (II) Motion picture or television production which is
8 produced for theatrical, commercial, advertising, or
9 educational purposes and utilizes live or animated actions or
10 a combination of live and animated actions. The motion picture
11 or television production shall be commercially produced for
12 sale or for showing on screens or broadcasting on television
13 and may be on film or video tape.

14 5. For the purpose of the exemption provided in
15 subparagraph 2., "machinery and equipment" means machinery or
16 equipment as described in 47 C.F.R., part 73, and "section 38
17 property" as defined in s. 48(a)(1)(A) and (B)(i) of the
18 Internal Revenue Code, purchased or leased in this state for
19 use by a television studio, television network, television
20 production company, or federally licensed television station
21 in the production, origination, broadcast, transmission,
22 receipt, or redistribution of digital television signals.

23 Section 2. This act shall take effect upon becoming a
24 law.

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27 HOUSE SUMMARY

28
29 Provides a sales tax exemption for machinery and
30 equipment purchased or leased in this state for use by a
31 television studio, television network, television
production company, or federally licensed television
station in the production, origination, broadcast,
transmission, receipt, or redistribution of digital
television signals.