

By Senator Haridopolos

26-00333A-10

20101430__

1 A bill to be entitled
2 An act relating to entertainment industry economic
3 development; amending s. 288.1254, F.S.; revising the
4 entertainment industry financial incentive program to
5 provide corporate income tax and sales and use tax
6 credits to qualified entertainment entities rather
7 than reimbursements from appropriations; revising
8 provisions relating to definitions, creation and
9 scope, application procedures, approval process,
10 eligibility, required documents, qualified and
11 certified productions, and annual reports; providing
12 duties and responsibilities of the Office of Film and
13 Entertainment, the Office of Tourism, Trade, and
14 Economic Development, and the Department of Revenue
15 relating to the tax credits; providing criteria and
16 limitations for awards of tax credits; providing for
17 uses, allocations, election, distributions, and
18 carryforward of the tax credits; providing for
19 withdrawal of tax credit eligibility; providing for
20 use of consolidated returns; providing for partnership
21 and noncorporate distributions of tax credits;
22 providing for succession of tax credits; providing
23 requirements for transfer of tax credits; authorizing
24 the Office of Tourism, Trade, and Economic Development
25 to adopt rules, policies, and procedures; authorizing
26 the Department of Revenue to adopt rules and conduct
27 audits; providing for revocation and forfeiture of tax
28 credits; providing liability for reimbursement of
29 certain costs and fees associated with a fraudulent

26-00333A-10

20101430__

30 claim; requiring an annual report to the Governor and
31 the Legislature; providing for future repeal; amending
32 s. 220.02, F.S.; including tax credits enumerated in
33 s. 288.1254, F.S., in the order of application of
34 credits against certain taxes; amending s. 213.053,
35 F.S.; authorizing the Department of Revenue to provide
36 tax credit information to the Office of Film and
37 Entertainment and the Office of Tourism, Trade, and
38 Economic Development; amending s. 212.08, F.S.;

39 limiting application of the entertainment industry tax
40 credits; requiring electronic funds transfer for the
41 tax credits; providing procedures; providing
42 severability; providing an effective date.

43
44 Be It Enacted by the Legislature of the State of Florida:

45
46 Section 1. Section 288.1254, Florida Statutes, is amended
47 to read:

48 (Substantial rewording of section. See
49 s. 288.1254, F.S., for present text.)

50 288.1254 Entertainment industry financial incentive
51 program.—

52 (1) DEFINITIONS.—As used in this section, the term:

53 (a) "Certified production" means a qualified production
54 that has tax credits allocated to it by the Office of Tourism,
55 Trade, and Economic Development based on the production's
56 estimated qualified expenditures, up to the production's maximum
57 certified amount of tax credits, by the Office of Tourism,
58 Trade, and Economic Development. The term does not include a

26-00333A-10

20101430__

59 production if its first day of principal photography in this
60 state occurs before the production is certified by the Office of
61 Tourism, Trade, and Economic Development and does not include a
62 digital media project if its first day of production in this
63 state occurs before certification.

64 (b) "Digital media project" means a production of
65 interactive entertainment that is produced for distribution in
66 commercial or educational markets. The term includes a video
67 game or production intended for Internet or wireless
68 distribution. The term does not include a production deemed by
69 the Office of Film and Entertainment to contain obscene content
70 as defined in s. 847.001(10).

71 (c) "High-impact television series" means a production
72 created to run multiple production seasons and having an
73 estimated order of at least seven episodes per season and
74 qualified expenditures of at least \$625,000 per episode.

75 (d) "Off-season certified production" means a production,
76 other than a digital media project or an animated production,
77 commercial, music video, or documentary, which films 75 percent
78 or more of its principal photography days from June 1 through
79 November 30.

80 (e) "Principal photography" means the filming of major or
81 significant components of the qualified production which involve
82 lead actors.

83 (f) "Production" means a theatrical or direct-to-video
84 motion picture; a made-for-television motion picture; a
85 commercial; a music video; an industrial or educational film; an
86 infomercial; a documentary film; a television pilot program; a
87 presentation for a television pilot program; a television

26-00333A-10

20101430

88 series, including, but not limited to, a drama, a reality show,
89 a comedy, a soap opera, a telenovela, a game show, or a
90 miniseries production; or a digital media project by the
91 entertainment industry. One season of a television series is
92 considered one production. The term does not include a weather
93 or market program; a sporting event; a sports show; a gala; a
94 production that solicits funds; a home shopping program; a
95 political program; a political documentary; political
96 advertising; a gambling-related project or production; a concert
97 production; or a local, regional, or Internet-distributed-only
98 news show, current-events show, pornographic production, or
99 current-affairs show. A production may be produced on or by
100 film, tape, or otherwise by means of a motion picture camera;
101 electronic camera or device; tape device; computer; any
102 combination of the foregoing; or any other means, method, or
103 device now used or later adopted.

104 (g) "Production expenditures" means the costs of tangible
105 and intangible property used for, and services performed
106 primarily and customarily in, production, including
107 preproduction and postproduction, but excluding costs for
108 development, marketing, and distribution. The term includes, but
109 is not limited to:

110 1. Wages, salaries, or other compensation paid to legal
111 residents of this state, including amounts paid through payroll
112 service companies, for technical and production crews,
113 directors, producers, and performers.

114 2. Expenditures for sound stages, backlots, production
115 editing, digital effects, sound recordings, sets, and set
116 construction.

26-00333A-10

20101430

117 3. Expenditures for rental equipment, including, but not
118 limited to, cameras and grip or electrical equipment.

119 4. Up to \$300,000 of the costs of newly purchased computer
120 software and hardware unique to the project, including servers,
121 data processing, and visualization technologies, which are
122 located in and used exclusively in the state for the production
123 of digital media.

124 5. Expenditures for meals, travel, and accommodations.

125 (h) "Qualified expenditures" means production expenditures
126 incurred in this state by a qualified production for:

127 1. Goods purchased or leased from, or services, including,
128 but not limited to, insurance costs and bonding, payroll
129 services, and legal fees, which are provided by, a vendor or
130 supplier in this state that is registered with the Department of
131 State or the Department of Revenue and doing business in the
132 state and whose primary employees that facilitated the
133 transaction are legal residents of and employed in this state.

134 2. Payments to legal residents of this state in the form of
135 salary, wages, or other compensation up to a maximum of \$650,000
136 per resident unless otherwise specified in subsection (4).

137
138 For a qualified production involving an event, such as an awards
139 show, the term does not include expenditures solely associated
140 with the event itself and not directly required by the
141 production. The term does not include expenditures incurred
142 before certification, with the exception of those incurred for
143 the pickup of additional episodes of a high-impact television
144 series within a single season.

145 (i) "Qualified production" means a production in this state

26-00333A-10

20101430

146 meeting the requirements of this section. The term does not
147 include a production:

148 1. In which, for the first 2 years, less than 50 percent,
149 and thereafter, less than 60 percent, of the positions that make
150 up its production cast and below-the-line production crew, or,
151 in the case of digital media projects, less than 75 percent of
152 such positions, are filled by legal residents of this state,
153 whose residency is demonstrated by a valid Florida driver's
154 license or other state-issued identification confirming
155 residency, or students enrolled full-time in a film-and-
156 entertainment-related course of study at an institution of
157 higher education in this state; or

158 2. That is deemed by the Office of Film and Entertainment
159 to contain obscene content as defined in s. 847.001(10).

160 (j) "Qualified production company" means a corporation,
161 limited liability company, partnership, or other legal entity
162 engaged in one or more productions in this state.

163 (2) CREATION AND PURPOSE OF PROGRAM.—The entertainment
164 industry financial incentive program is created within the
165 Office of Film and Entertainment. The purpose of this program is
166 to encourage the use of this state as a site for filming and to
167 develop and sustain the workforce and infrastructure for film,
168 digital media, and entertainment production.

169 (3) APPLICATION PROCEDURE; APPROVAL PROCESS.—

170 (a) Program application.—A qualified production company
171 producing a qualified production in this state may submit a
172 program application to the Office of Film and Entertainment for
173 the purpose of determining qualification for an award of tax
174 credits authorized by this section no earlier than 6 months

26-00333A-10

20101430__

175 before the stated principal photography or digital media project
176 start date. The applicant shall provide the Office of Film and
177 Entertainment with information required to determine whether the
178 production is a qualified production and to determine the
179 qualified expenditures and other information necessary for the
180 office to determine eligibility for the tax credit.

181 (b) Required documentation.—The Office of Film and
182 Entertainment shall develop an application form for qualifying
183 an applicant as a qualified production. The form must include,
184 but need not be limited to, production-related information
185 concerning employment of residents in this state, a detailed
186 budget of planned qualified expenditures, and the applicant's
187 signed affirmation that the information on the form has been
188 verified and is correct. The Office of Film and Entertainment
189 and local film commissions shall distribute the form.

190 (c) Application process.—The Office of Film and
191 Entertainment shall establish a process by which an application
192 is accepted and reviewed and by which tax credit eligibility and
193 award amount are determined. The Office of Film and
194 Entertainment may request assistance from a duly appointed local
195 film commission in determining compliance with this section.

196 (d) Certification.—The Office of Film and Entertainment
197 shall review the application within 15 business days after
198 receipt. Upon its determination that the application contains
199 all the information required by this subsection and meets the
200 criteria set out in this section, the Office of Film and
201 Entertainment shall qualify the applicant and recommend to the
202 Office of Tourism, Trade, and Economic Development that the
203 applicant be certified for the maximum tax credit award amount.

26-00333A-10

20101430

204 Within 5 business days after receipt of the recommendation, the
205 Office of Tourism, Trade, and Economic Development shall reject
206 the recommendation or certify the maximum recommended tax credit
207 award, if any, to the applicant and to the executive director of
208 the Department of Revenue.

209 (e) Grounds for denial.—The Office of Film and
210 Entertainment shall deny an application if it determines that
211 the application is not complete or the production or application
212 does not meet the requirements of this section.

213 (f) Verification of actual qualified expenditures.—

214 1. The Office of Film and Entertainment shall develop a
215 process to verify the actual qualified expenditures of a
216 certified production. The process must require:

217 a. A certified production to submit, in a timely manner
218 after principal photography or the digital media project ends
219 and after making all of its qualified expenditures, data
220 substantiating each qualified expenditure to an independent
221 certified public accountant licensed in this state;

222 b. Such accountant to conduct a compliance audit, at the
223 certified production's expense, to substantiate each qualified
224 expenditure and submit the results as a report, along with the
225 required substantiating data, to the Office of Film and
226 Entertainment; and

227 c. The Office of Film and Entertainment to review the
228 accountant's submittal and report to the Office of Tourism,
229 Trade, and Economic Development the final verified amount of
230 actual qualified expenditures made by the certified production.

231 2. The Office of Tourism, Trade, and Economic Development
232 shall determine and approve the final tax credit award amount to

26-00333A-10

20101430

233 each certified applicant based on the final verified amount of
234 actual qualified expenditures and shall notify the executive
235 director of the Department of Revenue in writing that the
236 certified production has met the requirements of the incentive
237 program and of the final amount of the tax credit award.

238 (g) *Promoting Florida.*—The Office of Film and Entertainment
239 shall ensure that, as a condition of receiving a tax credit
240 under this section, marketing materials promoting this state as
241 a tourist destination or film and entertainment production
242 destination are included, when appropriate, at no cost to the
243 state, which must, at a minimum, include placement of a “Filmed
244 in Florida” or “Produced in Florida” logo in the opening credits
245 and end credits and on all packaging material and hard media,
246 unless prohibited by licensing or other contractual obligations.
247 The size and placement of such logo shall be commensurate to
248 other logos used. If no logos are used, the statement “Filmed in
249 Florida using Florida’s Entertainment Industry Financial
250 Incentive,” or a similar statement approved by the Office of
251 Film and Entertainment, shall be used. The Office of Film and
252 Entertainment shall provide a logo and supply it for the
253 purposes specified in this paragraph.

254 (4) TAX CREDIT ELIGIBILITY; TAX CREDIT AWARDS; QUEUES;
255 ELECTION AND DISTRIBUTION; CARRYFORWARD; CONSOLIDATED RETURNS;
256 PARTNERSHIP AND NONCORPORATE DISTRIBUTIONS; MERGERS AND
257 ACQUISITIONS.—

258 (a) *Priority for tax credit award.*—The priority of a
259 qualified production for tax credit awards must be determined on
260 a first-come, first-served basis within its appropriate queue.
261 Each qualified production must be placed into the appropriate

26-00333A-10

20101430__

262 queue and is subject to the requirements of that queue.

263 (b) Tax credit eligibility.—

264 1. General production queue.—Ninety-four percent of tax
265 credits authorized in any state fiscal year must be dedicated to
266 the general production queue. A qualified production, excluding
267 a commercial, music video, or independent Florida film, that
268 demonstrates a minimum of \$625,000 in qualified expenditures is
269 eligible for tax credits equal to 20 percent of its actual
270 qualified expenditures.

271 a. An off-season certified production that is a feature
272 film, independent film, commercial, or television series or
273 pilot is eligible for an additional 5-percent tax credit on
274 actual qualified expenditures. An off-season certified
275 production that does not complete 75 percent of principal
276 photography due to a disruption caused by a hurricane or
277 tropical storm may not be disqualified from eligibility for the
278 additional 5-percent credit as a result of the disruption.

279 b. A qualified high-impact television series shall be
280 allowed first position in this queue for tax credit awards not
281 yet certified.

282 2. Commercial and music video queue.—Three percent of tax
283 credits authorized in any state fiscal year must be dedicated to
284 the commercial and music video queue. A qualified production
285 company that produces national or regional commercials or music
286 videos may be eligible for a tax credit award if it demonstrates
287 a minimum of \$100,000 in qualified expenditures per national or
288 regional commercial or music video and exceeds a combined
289 threshold of \$500,000 after combining actual qualified
290 expenditures from qualified commercials and music videos during

26-00333A-10

20101430__

291 a single state fiscal year. After a qualified production company
292 that produces commercials, music videos, or both reaches the
293 threshold of \$500,000, it is eligible to apply for certification
294 for a tax credit award. The maximum credit award shall be equal
295 to 20 percent of its actual qualified expenditures up to a
296 maximum of \$500,000. If there is a surplus of such tax credits
297 remaining after the Office of Film and Entertainment certifies
298 and determines the tax credits for all qualified commercial and
299 video projects for which applications are made within 270 days
300 after the opening of the application process, such surplus tax
301 credits shall be available to any eligible qualified productions
302 under the general production queue.

303 3. Independent production queue.—Three percent of tax
304 credits authorized in any state fiscal year must be dedicated to
305 the independent production queue. An independent Florida film or
306 digital media project that meets the criteria of this
307 subparagraph and demonstrates a minimum of \$100,000, but not
308 more than \$625,000, in total qualified expenditures is eligible
309 for tax credits equal to 20 percent of its actual qualified
310 expenditures. To qualify for this tax credit, a qualified
311 production must:

312 a. Be planned as a feature film or documentary of at least
313 70 minutes in length.

314 b. Employ legal residents of this state in at least two of
315 the following key positions: writer, director, producer, star,
316 or composer.

317 4. Family-friendly productions.—A certified production
318 determined by the Commissioner of Film and Entertainment, with
319 the advice of the Florida Film and Entertainment Advisory

26-00333A-10

20101430__

320 Council, to be family-friendly, based on the review of the
321 script and the review of the final release version, is eligible
322 for an additional tax credit equal to 5 percent of its actual
323 qualified expenditures. Family-friendly productions are those
324 that have cross-generational appeal; would be considered
325 suitable for viewing by children age 5 or older; are appropriate
326 in theme, content, and language for a broad family audience;
327 embody a responsible resolution of issues; and do not exhibit or
328 imply any act of smoking, sex, nudity, nontraditional family
329 values, gratuitous violence, or vulgar or profane language.

330 (c) *Withdrawal of tax credit eligibility.*—A qualified or
331 certified production must continue on a reasonable schedule,
332 which means beginning principal photography, or, in the case of
333 a digital media project, the start date of the production, in
334 this state no more than 45 calendar days before or after the
335 date provided in the production's program application. The
336 Office of Tourism, Trade, and Economic Development shall
337 withdraw the eligibility of a qualified or certified production
338 that does not continue on a reasonable schedule.

339 (d) *Election and distribution of tax credits.*—A certified
340 production company receiving a tax credit award under this
341 section shall, at the time the credit is awarded by the Office
342 of Tourism, Trade, and Economic Development after production is
343 completed and all requirements to receive a credit award have
344 been met, make an irrevocable election to apply the credit
345 against taxes due under chapter 220, against taxes collected or
346 accrued under chapter 212, or against a stated combination of
347 the two taxes. The election is binding upon any distributee,
348 successor, transferee, or purchaser. The Office of Tourism,

26-00333A-10

20101430

349 Trade, and Economic Development shall notify the Department of
350 Revenue of any election made pursuant to this paragraph.

351 (e) Tax credit carryforward.—If the certified production
352 company cannot use the entire tax credit in the taxable year or
353 reporting period in which the credit is awarded, any excess
354 amount may be carried forward to a succeeding taxable year or
355 reporting period. A tax credit applied against taxes imposed
356 under chapter 212 may be carried forward for a maximum of 5
357 years after the date the credit is awarded. A tax credit applied
358 against taxes imposed under chapter 220 may be carried forward
359 for a maximum of 5 years after the date the credit is awarded,
360 after which the credit expires and may not be used.

361 (f) Consolidated returns.—A certified production company
362 that files a Florida consolidated return as a member of an
363 affiliated group under s. 220.131(1) may be allowed the credit
364 on a consolidated return basis up to the amount of the tax
365 imposed upon the consolidated group under chapter 220.

366 (g) Partnership and noncorporate distributions.—A qualified
367 production company that is not a corporation as defined in s.
368 220.03 may elect to distribute tax credits awarded under this
369 section to its partners or members in proportion to their
370 respective distributive income or loss in the taxable fiscal
371 year in which the tax credits were awarded.

372 (h) Mergers or acquisitions.—Tax credits available under
373 this section to a certified production company may succeed to a
374 surviving or acquiring entity subject to the same conditions and
375 limitations as described in this section; however, they may not
376 be transferred again by the surviving or acquiring entity.

377 (5) TRANSFER OF TAX CREDITS.—

26-00333A-10

20101430

378 (a) Authorization.—Upon application to the Office of Film
379 and Entertainment and approval by the Office of Tourism, Trade,
380 and Economic Development, a certified production company, or a
381 partner or member that has received a distribution under
382 paragraph (4)(g), may elect to transfer, in whole or in part,
383 any unused credit amount granted under this section. An election
384 to transfer any unused tax credit amount under chapter 212 or
385 chapter 220 must be made no later than 5 years after the date
386 the credit is awarded, after which period the credit expires and
387 may not be used. The Office of Tourism, Trade, and Economic
388 Development shall notify the Department of Revenue of the
389 election and transfer.

390 (b) Number of transfers permitted.—A certified production
391 company that elects to apply a credit amount against taxes
392 remitted under chapter 212 is permitted a one-time transfer of
393 unused credits to one transferee. A certified production company
394 that elects to apply a credit amount against taxes due under
395 chapter 220 is permitted a one-time transfer of unused credits
396 to no more than four transferees, and such transfers must occur
397 in the same taxable year.

398 (c) Transferee rights and limitations.—The transferee is
399 subject to the same rights and limitations as the certified
400 production company awarded the tax credit, except that the
401 transferee may not sell or otherwise transfer the tax credit.

402 (d) Rulemaking.—The Department of Revenue may adopt rules
403 to administer this subsection, as provided in subsection (7).

404 (6) ANNUAL ALLOCATION OF CREDITS.—The aggregate amount of
405 tax credits authorized under this section is \$75 million per
406 year. Any unused tax credits at the end of a fiscal year shall

26-00333A-10

20101430__

407 be carried forward and made available for award during the
408 following 2 fiscal years. If the total amount of allocated
409 credits applied for in any particular fiscal year exceeds the
410 aggregate amount of credits authorized annually under this
411 section, such excess shall be treated as having been applied for
412 on the first day of the next fiscal year in which credits remain
413 available for allocation.

414 (7) RULES, POLICIES, AND PROCEDURES.—

415 (a) The Office of Tourism, Trade, and Economic Development
416 may adopt rules pursuant to ss. 120.536(1) and 120.54 and
417 develop policies and procedures to implement and administer this
418 section, including, but not limited to, rules specifying
419 requirements for the application and approval process, records
420 required for substantiation for tax credits, procedures for
421 making the election in paragraph (4) (d), the manner and form of
422 documentation required to claim tax credits awarded or
423 transferred under this section, and marketing requirements for
424 tax credit recipients.

425 (b) The Department of Revenue may adopt rules pursuant to
426 ss. 120.536(1) and 120.54 to administer this section, including
427 rules governing the examination and audit procedures required to
428 administer this section and the manner and form of documentation
429 required to claim tax credits awarded or transferred under this
430 section.

431 (8) AUDIT AUTHORITY; REVOCATION AND FORFEITURE OF TAX
432 CREDITS; FRAUDULENT CLAIMS.—

433 (a) *Audit authority.*—The Department of Revenue may conduct
434 examinations and audits as provided in s. 213.34 to verify that
435 tax credits under this section are received, transferred, and

26-00333A-10

20101430__

436 applied according to the requirements of this section. If the
437 Department of Revenue determines that tax credits are not
438 received, transferred, or applied as required by this section,
439 it may, in addition to the remedies provided in this subsection,
440 pursue recovery of such funds pursuant to the laws and rules
441 governing the assessment of taxes.

442 (b) Revocation of tax credits.—The Office of Tourism,
443 Trade, and Economic Development may revoke or modify any written
444 decision qualifying, certifying, or otherwise granting
445 eligibility for tax credits under this section if it is
446 discovered that the tax credit applicant submitted any false
447 statement, representation, or certification in any application,
448 record, report, plan, or other document filed in an attempt to
449 receive tax credits under this section. The Office of Tourism,
450 Trade, and Economic Development shall immediately notify the
451 Department of Revenue of any revoked or modified orders
452 affecting previously granted tax credits. Additionally, the
453 applicant must notify the Department of Revenue of any change in
454 its tax credit claimed.

455 (c) Forfeiture of tax credits.—A determination by the
456 Department of Revenue, as a result of an audit or examination by
457 the Department of Revenue or from information received from the
458 Office of Film and Entertainment, that an applicant received tax
459 credits pursuant to this section to which the applicant was not
460 entitled is grounds for forfeiture of previously claimed and
461 received tax credits. The applicant is responsible for returning
462 forfeited tax credits to the Department of Revenue, and such
463 funds shall be paid into the General Revenue Fund of the state.
464 Tax credits purchased in good faith are not subject to

26-00333A-10

20101430

465 forfeiture unless the transferee submitted fraudulent
466 information in the purchase or failed to meet the requirements
467 in subsection (5).

468 (d) *Fraudulent claims.*—Any applicant that submits
469 fraudulent information under this section is liable for
470 reimbursement of the reasonable costs and fees associated with
471 the review, processing, investigation, and prosecution of the
472 fraudulent claim. An applicant that obtains a credit payment
473 under this section through a claim that is fraudulent is liable
474 for reimbursement of the credit amount plus a penalty in an
475 amount double the credit amount. The penalty is in addition to
476 any criminal penalty to which the applicant is liable for the
477 same acts. The applicant is also liable for costs and fees
478 incurred by the state in investigating and prosecuting the
479 fraudulent claim.

480 (9) ANNUAL REPORT.—Each October 1, the Office of Film and
481 Entertainment shall provide an annual report for the previous
482 fiscal year to the Governor, the President of the Senate, and
483 the Speaker of the House of Representatives which outlines the
484 return on investment and economic benefits to the state.

485 (10) REPEAL.—This section is repealed July 1, 2015, except
486 that the tax credit carryforward provided in this section shall
487 continue to be valid for the period specified.

488 Section 2. Subsection (8) of section 220.02, Florida
489 Statutes, is amended to read:

490 220.02 Legislative intent.—

491 (8) It is the intent of the Legislature that credits
492 against either the corporate income tax or the franchise tax be
493 applied in the following order: those enumerated in s. 631.828,

26-00333A-10

20101430

494 those enumerated in s. 220.191, those enumerated in s. 220.181,
495 those enumerated in s. 220.183, those enumerated in s. 220.182,
496 those enumerated in s. 220.1895, those enumerated in s. 221.02,
497 those enumerated in s. 220.184, those enumerated in s. 220.186,
498 those enumerated in s. 220.1845, those enumerated in s. 220.19,
499 those enumerated in s. 220.185, those enumerated in s. 220.187,
500 those enumerated in s. 220.192, those enumerated in s. 220.193,
501 ~~and~~ those enumerated in s. 288.9916, and those enumerated in s.
502 288.1254.

503 Section 3. Paragraph (z) is added to subsection (8) of
504 section 213.053, Florida Statutes, to read:

505 213.053 Confidentiality and information sharing.—

506 (8) Notwithstanding any other provision of this section,
507 the department may provide:

508 (z) Information relative to tax credits taken under s.
509 288.1254 to the Office of Film and Entertainment and the Office
510 of Tourism, Trade, and Economic Development.

511
512 Disclosure of information under this subsection shall be
513 pursuant to a written agreement between the executive director
514 and the agency. Such agencies, governmental or nongovernmental,
515 shall be bound by the same requirements of confidentiality as
516 the Department of Revenue. Breach of confidentiality is a
517 misdemeanor of the first degree, punishable as provided by s.
518 775.082 or s. 775.083.

519 Section 4. Paragraph (q) is added to subsection (5) of
520 section 212.08, Florida Statutes, to read:

521 212.08 Sales, rental, use, consumption, distribution, and
522 storage tax; specified exemptions.—The sale at retail, the

26-00333A-10

20101430

523 rental, the use, the consumption, the distribution, and the
524 storage to be used or consumed in this state of the following
525 are hereby specifically exempt from the tax imposed by this
526 chapter.

527 (5) EXEMPTIONS; ACCOUNT OF USE.—

528 (q) Entertainment industry tax credit; authorization;
529 eligibility for credits.—

530 1. For the fiscal years beginning July 1, 2010, and ending
531 June 30, 2015, a qualified production company, as defined in s.
532 288.1254(1)(j), is eligible for tax credits against its sales
533 and use tax liabilities as provided in s. 288.1254. However, tax
534 credits may not be applied, regardless of when the credits are
535 awarded, to returns filed for any tax period beginning before
536 July 1, 2011.

537 2. The credit shall be deducted from any sales and use tax
538 remitted by the dealer to the department by electronic funds
539 transfer and may only be deducted on a sales and use tax return
540 initiated through electronic data interchange. The dealer shall
541 separately state the credit on the electronic return. The net
542 amount of tax due and payable must be remitted by electronic
543 funds transfer. If the credit for the qualified expenditures is
544 larger than the amount owed on the sales and use tax return, the
545 amount of the credit may be carried forward to a succeeding
546 reporting period. A dealer may only obtain a credit using the
547 method described in this subparagraph. A dealer is not
548 authorized to obtain a credit by applying for a refund.

549 Section 5. If any provision of this act or the application
550 thereof to any person or circumstance is held invalid, the
551 invalidity shall not affect other provisions or applications of

26-00333A-10

20101430__

552 the act which can be given effect without the invalid provision
553 or application, and to this end the provisions of this act are
554 declared severable.

555 Section 6. This act shall take effect July 1, 2010.