

**FOR CONSIDERATION** By the Committee on Commerce and Tourism

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1                                   A bill to be entitled  
2           An act relating to the entertainment industry;  
3           amending s. 288.125, F.S.; specifying the application  
4           of the term "entertainment industry"; transferring,  
5           renumbering, and amending s. 288.1251, F.S.; renaming  
6           the Office of Film and Entertainment within the  
7           Department of Economic Opportunity as the Division of  
8           Film and Entertainment and housing the division within  
9           Enterprise Florida, Inc.; requiring Enterprise  
10          Florida, Inc., to conduct a national search for a film  
11          commissioner; requiring the president of Enterprise  
12          Florida, Inc., to hire the film commissioner; revising  
13          the requirements of the division's 5-year plan;  
14          transferring, renumbering, and amending s. 288.1252,  
15          F.S.; revising the powers and duties of the Florida  
16          Film and Entertainment Advisory Council; conforming  
17          provisions to changes made by the act; transferring,  
18          renumbering, and amending s. 288.1253, F.S.;  
19          conforming provisions to changes made by the act;  
20          amending s. 288.1254, F.S.; redefining and deleting  
21          terms; requiring the department, rather than the  
22          Office of Film and Entertainment, to be responsible  
23          for applications for the entertainment industry  
24          financial incentive program; revising provisions  
25          relating to the application process, tax credit  
26          eligibility, election and distribution of tax credits,  
27          annual allocation of tax credits, forfeiture of tax  
28          credits, and annual report; extending the repeal date;  
29          conforming provisions to changes made by the act;

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30 specifying a date on which the applications on file  
31 with the department and not yet certified are deemed  
32 denied; amending s. 288.1258, F.S.; conforming  
33 provisions to changes made by the act; requiring the  
34 department to develop a standardized application form  
35 in cooperation with the division and other agencies;  
36 amending s. 288.92, F.S.; requiring Enterprise  
37 Florida, Inc., to have a division relating to film and  
38 entertainment; amending ss. 212.08, 220.1899, and  
39 477.0135, F.S.; conforming cross-references and  
40 provisions to changes made by the act; providing an  
41 effective date.

42  
43 Be It Enacted by the Legislature of the State of Florida:

44  
45 Section 1. Section 288.125, Florida Statutes, is amended to  
46 read:

47 288.125 Definition of "entertainment industry".—For the  
48 purposes of ss. 288.1254, 288.1258, 288.924, and 288.9241 ~~ss.~~  
49 ~~288.1251–288.1258~~, the term "entertainment industry" means those  
50 persons or entities engaged in the operation of motion picture  
51 or television studios or recording studios; those persons or  
52 entities engaged in the preproduction, production, or  
53 postproduction of motion pictures, made-for-television movies,  
54 television programming, digital media projects, commercial  
55 advertising, music videos, or sound recordings; and those  
56 persons or entities providing products or services directly  
57 related to the preproduction, production, or postproduction of  
58 motion pictures, made-for-television movies, television

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59 programming, digital media projects, commercial advertising,  
60 music videos, or sound recordings, including, but not limited  
61 to, the broadcast industry.

62 Section 2. Section 288.1251, Florida Statutes, is  
63 transferred, renumbered as section 288.924, Florida Statutes,  
64 and amended to read:

65 288.924 ~~288.1251~~ Promotion and development of entertainment  
66 industry; Division ~~Office~~ of Film and Entertainment; creation;  
67 purpose; powers and duties.—

68 (1) CREATION.—

69 ~~(a)~~ The Division of Film and Entertainment is ~~There is~~  
70 ~~hereby~~ created within Enterprise Florida, Inc., ~~the department~~  
71 ~~the Office of Film and Entertainment~~ for the purpose of  
72 developing, marketing, promoting, and providing services to the  
73 state's entertainment industry. The division shall serve as a  
74 liaison between the entertainment industry and other state and  
75 local governmental agencies, local film commissions, and labor  
76 organizations.

77 ~~(2)~~ ~~(b)~~ COMMISSIONER.—Enterprise Florida, Inc., ~~The~~  
78 ~~department~~ shall conduct a national search for a qualified  
79 person to fill the position of Commissioner of Film and  
80 Entertainment when the position is vacant. The president of  
81 Enterprise Florida, Inc., ~~executive director of the department~~  
82 has the responsibility to hire the film commissioner.  
83 Qualifications for the film commissioner include, but are not  
84 limited to, the following:

85 (a) ~~1.~~ A working knowledge of the equipment, personnel,  
86 financial, and day-to-day production operations of the  
87 industries to be served by the division ~~Office of Film and~~

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88 Entertainment;

89 (b)2. Marketing and promotion experience related to the  
90 film and entertainment industries to be served;

91 (c)3. Experience working with a variety of individuals  
92 representing large and small entertainment-related businesses,  
93 industry associations, local community entertainment industry  
94 liaisons, and labor organizations; and

95 (d)4. Experience working with a variety of state and local  
96 governmental agencies.

97 (3)2. POWERS AND DUTIES.—

98 (a) The Division Office of Film and Entertainment, in  
99 performance of its duties, shall develop and:

100 1. ~~In consultation with the Florida Film and Entertainment~~  
101 ~~Advisory Council,~~ update a 5-year the strategic plan ~~every 5~~  
102 ~~years~~ to guide the activities of the division Office of Film and  
103 ~~Entertainment~~ in the areas of entertainment industry  
104 development, marketing, promotion, liaison services, field  
105 office administration, and information. The plan shall:

106 ~~a.~~ be annual in construction and ongoing in nature.

107 1. At a minimum, the plan must discuss the following:

108 ~~a.b.~~ Include recommendations relating to The organizational  
109 structure of the division, including any field offices outside  
110 the state.

111 b. The coordination of the division with local or regional  
112 offices maintained by counties and regions of the state, local  
113 film commissions, and labor organizations, and the coordination  
114 of such entities with each other to facilitate a working  
115 relationship office.

116 c. Strategies to identify, solicit, and recruit

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117 entertainment production opportunities for the state, including  
118 implementation of programs for rural and urban areas designed to  
119 develop and promote the state's entertainment industry.

120 ~~d.e. Include~~ An annual budget projection for the division  
121 ~~office~~ for each year of the plan.

122 ~~d. Include an operational model for the office to use in~~  
123 ~~implementing programs for rural and urban areas designed to:~~

124 ~~(I) develop and promote the state's entertainment industry.~~

125 ~~(II) Have the office serve as a liaison between the~~  
126 ~~entertainment industry and other state and local governmental~~  
127 ~~agencies, local film commissions, and labor organizations.~~

128 ~~(III) Gather statistical information related to the state's~~  
129 ~~entertainment industry.~~

130 ~~e.(IV) Provision of~~ Provide information and service to  
131 businesses, communities, organizations, and individuals engaged  
132 in entertainment industry activities.

133 ~~(V) Administer field offices outside the state and~~  
134 ~~coordinate with regional offices maintained by counties and~~  
135 ~~regions of the state, as described in sub-sub-subparagraph (II),~~  
136 ~~as necessary.~~

137 ~~f.e. Include~~ Performance standards and measurable outcomes  
138 for the programs to be implemented by the division office.

139 2. The plan shall be annually reviewed and approved by the  
140 board of directors of Enterprise Florida, Inc.

141 ~~f. Include an assessment of, and make recommendations on,~~  
142 ~~the feasibility of creating an alternative public private~~  
143 ~~partnership for the purpose of contracting with such a~~  
144 ~~partnership for the administration of the state's entertainment~~  
145 ~~industry promotion, development, marketing, and service~~

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146 ~~programs.~~

147 ~~2. Develop, market, and facilitate a working relationship~~  
148 ~~between state agencies and local governments in cooperation with~~  
149 ~~local film commission offices for out-of-state and indigenous~~  
150 ~~entertainment industry production entities.~~

151 ~~3. Implement a structured methodology prescribed for~~  
152 ~~coordinating activities of local offices with each other and the~~  
153 ~~commissioner's office.~~

154 (b) The division shall also:

155 1.4. Represent the state's indigenous entertainment  
156 industry to key decisionmakers within the national and  
157 international entertainment industry, and to state and local  
158 officials.

159 2.5. Prepare an inventory and analysis of the state's  
160 entertainment industry, including, but not limited to,  
161 information on crew, related businesses, support services, job  
162 creation, talent, and economic impact and coordinate with local  
163 offices to develop an information tool for common use.

164 ~~6. Identify, solicit, and recruit entertainment production~~  
165 ~~opportunities for the state.~~

166 3.7. Assist rural communities and other small communities  
167 in the state in developing the expertise and capacity necessary  
168 for such communities to develop, market, promote, and provide  
169 services to the state's entertainment industry.

170 (c) ~~(b)~~ The division ~~Office of Film and Entertainment~~, in  
171 the performance of its duties, may:

172 1. Conduct or contract for specific promotion and marketing  
173 functions, including, but not limited to, production of a  
174 statewide directory, production and maintenance of an Internet

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175 website, establishment and maintenance of a toll-free telephone  
176 number, organization of trade show participation, and  
177 appropriate cooperative marketing opportunities.

178 2. Conduct its affairs, carry on its operations, establish  
179 offices, and exercise the powers granted by this act in any  
180 state, territory, district, or possession of the United States.

181 3. Carry out any program of information, special events, or  
182 publicity designed to attract entertainment industry to Florida.

183 4. Develop relationships and leverage resources with other  
184 public and private organizations or groups in their efforts to  
185 publicize to the entertainment industry in this state, other  
186 states, and other countries the depth of Florida's entertainment  
187 industry talent, crew, production companies, production  
188 equipment resources, related businesses, and support services,  
189 including the establishment of and expenditure for a program of  
190 cooperative advertising with these public and private  
191 organizations and groups in accordance with the provisions of  
192 chapter 120.

193 5. Provide and arrange for reasonable and necessary  
194 promotional items and services for such persons as the division  
195 ~~office~~ deems proper in connection with the performance of the  
196 promotional and other duties of the division ~~office~~.

197 6. Prepare an ~~annual~~ economic impact analysis on  
198 entertainment industry-related activities in the state.

199 7. Request or accept any grant, payment, or gift of funds  
200 or property made by this state, the United States, or any  
201 department or agency thereof, or by any individual, firm,  
202 corporation, municipality, county, or organization, for any or  
203 all of the purposes of the ~~Office of Film and Entertainment's~~ 5-

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204 year strategic plan or those permitted activities enumerated in  
205 this paragraph. ~~Such funds shall be deposited in the Grants and~~  
206 ~~Donations Trust Fund of the Executive Office of the Governor for~~  
207 ~~use by the Office of Film and Entertainment in carrying out its~~  
208 ~~responsibilities and duties as delineated in law.~~ The division  
209 ~~office~~ may expend such funds in accordance with the terms and  
210 conditions of any such grant, payment, or gift in the pursuit of  
211 its administration or in support of fulfilling its duties and  
212 responsibilities. The division ~~office~~ shall separately account  
213 for the public funds and the private funds ~~deposited into the~~  
214 ~~trust fund.~~

215 Section 3. Section 288.1252, Florida Statutes, is  
216 transferred, renumbered as section 288.9242, Florida Statutes,  
217 and amended to read:

218 288.9242 ~~288.1252~~ Florida Film and Entertainment Advisory  
219 Council; ~~creation;~~ purpose; membership; powers and duties.—

220 ~~(1) CREATION. There is created within the department, for~~  
221 ~~administrative purposes only, the Florida Film and Entertainment~~  
222 ~~Advisory Council.~~

223 ~~(1)(2)~~ PURPOSE.—The purpose of the Florida Film and  
224 Entertainment Advisory Council is to serve as an advisory body  
225 to the Division of Film and Entertainment ~~department and to the~~  
226 ~~Office of Film and Entertainment~~ to provide ~~these offices with~~  
227 industry insight and expertise related to developing, marketing,  
228 and promoting, ~~and providing service to~~ the state's  
229 entertainment industry.

230 ~~(2)(3)~~ MEMBERSHIP.—

231 (a) The council shall consist of 17 members, 7 to be  
232 appointed by the Governor, 5 to be appointed by the President of



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233 the Senate, and 5 to be appointed by the Speaker of the House of  
234 Representatives.

235 (b) When making appointments to the council, the Governor,  
236 the President of the Senate, and the Speaker of the House of  
237 Representatives shall appoint persons who are residents of the  
238 state and who are highly knowledgeable of, active in, and  
239 recognized leaders in Florida's motion picture, television,  
240 video, sound recording, or other entertainment industries. These  
241 persons shall include, but not be limited to, representatives of  
242 local film commissions, representatives of entertainment  
243 associations, a representative of the broadcast industry,  
244 representatives of labor organizations in the entertainment  
245 industry, and board chairs, presidents, chief executive  
246 officers, chief operating officers, or persons of comparable  
247 executive position or stature of leading or otherwise important  
248 entertainment industry businesses and offices. Council members  
249 shall be appointed in such a manner as to equitably represent  
250 the broadest spectrum of the entertainment industry and  
251 geographic areas of the state.

252 (c) Council members shall serve for 4-year terms.

253 (d) Subsequent appointments shall be made by the official  
254 who appointed the council member whose expired term is to be  
255 filled.

256 (e) ~~A representative of Enterprise Florida, Inc.,~~ A  
257 representative of Workforce Florida, Inc., and a representative  
258 of VISIT Florida shall serve as ex officio, nonvoting members of  
259 the council, and shall be in addition to the 17 appointed  
260 members of the council.

261 (f) Absence from three consecutive meetings shall result in

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262 automatic removal from the council.

263 (g) A vacancy on the council shall be filled for the  
264 remainder of the unexpired term by the official who appointed  
265 the vacating member.

266 (h) No more than one member of the council may be an  
267 employee of any one company, organization, or association.

268 (i) Any member shall be eligible for reappointment but may  
269 not serve more than two consecutive terms.

270 (3)~~(4)~~ MEETINGS; ORGANIZATION.—

271 (a) The council shall meet no less frequently than once  
272 each quarter of the calendar year, but may meet more often as  
273 set by the council.

274 (b) The council shall annually elect from its appointed  
275 membership one member to serve as chair of the council and one  
276 member to serve as vice chair. The Division of Film and  
277 Entertainment ~~Office of Film and Entertainment~~ shall provide  
278 staff assistance to the council, which shall include, but not be  
279 limited to, keeping records of the proceedings of the council,  
280 and serving as custodian of all books, documents, and papers  
281 filed with the council.

282 (c) A majority of the members of the council shall  
283 constitute a quorum.

284 (d) Members of the council shall serve without  
285 compensation, but shall be entitled to reimbursement for per  
286 diem and travel expenses in accordance with s. 112.061 while in  
287 performance of their duties.

288 (4)~~(5)~~ POWERS AND DUTIES.—The Florida Film and  
289 Entertainment Advisory Council shall have all the powers  
290 necessary or convenient to carry out and effectuate the purposes

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291 and provisions of this act, including, but not limited to, the  
292 power to:

293 (a) Adopt bylaws for the governance of its affairs and the  
294 conduct of its business.

295 (b) Advise the Division of Film and Entertainment ~~and~~  
296 ~~consult with the Office of Film and Entertainment~~ on the  
297 content, development, and implementation of the 5-year strategic  
298 plan ~~to guide the activities of the office.~~

299 (c) ~~Review the Commissioner of Film and Entertainment's~~  
300 ~~administration of the programs related to the strategic plan,~~  
301 ~~and~~ Advise the Division of Film and Entertainment ~~commissioner~~  
302 on its ~~the~~ programs and any changes that might be made to better  
303 meet the strategic plan.

304 (d) Consider and study the needs of the entertainment  
305 industry for the purpose of advising the Division of Film and  
306 Entertainment ~~film commissioner and the department.~~

307 (e) Identify ~~and make recommendations on~~ state agency and  
308 local government actions that may have an impact on the  
309 entertainment industry or that may appear to industry  
310 representatives as an official state or local action affecting  
311 production in the state, and advise the Division of Film and  
312 Entertainment of such actions.

313 (f) Consider all matters submitted to it by the Division of  
314 Film and Entertainment ~~film commissioner and the department.~~

315 (g) ~~Advise and consult with the film commissioner and the~~  
316 ~~department, at their request or upon its own initiative,~~  
317 ~~regarding the promulgation, administration, and enforcement of~~  
318 ~~all laws and rules relating to the entertainment industry.~~

319 (g) ~~(h)~~ Suggest policies and practices ~~for the conduct of~~

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320 ~~business by the Office of Film and Entertainment or by the~~  
321 ~~department that will improve interaction with internal~~  
322 ~~operations affecting the entertainment industry and will enhance~~  
323 ~~the economic development in initiatives of the state for the~~  
324 ~~industry.~~

325 ~~(i) Appear on its own behalf before boards, commissions,~~  
326 ~~departments, or other agencies of municipal, county, or state~~  
327 ~~government, or the Federal Government.~~

328 Section 4. Section 288.1253, Florida Statutes, is  
329 transferred, renumbered as section 288.9241, Florida Statutes,  
330 and amended to read:

331 288.9241 ~~288.1253~~ Travel and entertainment expenses.—

332 (1) As used in this section, the term "travel expenses"  
333 means the actual, necessary, and reasonable costs of  
334 transportation, meals, lodging, and incidental expenses normally  
335 incurred by an employee of the Division ~~Office~~ of Film and  
336 Entertainment, which costs are defined and prescribed by rules  
337 adopted by the department, subject to approval by the Chief  
338 Financial Officer.

339 (2) Notwithstanding ~~the provisions of s. 112.061, the~~  
340 ~~department shall adopt rules by which~~ the Division of Film and  
341 Entertainment ~~it~~ may make expenditures by reimbursement to: the  
342 Governor, the Lieutenant Governor, security staff of the  
343 Governor or Lieutenant Governor, the Commissioner of Film and  
344 Entertainment, or staff of the Division ~~Office~~ of Film and  
345 Entertainment for travel expenses or entertainment expenses  
346 incurred by such individuals solely and exclusively in  
347 connection with the performance of the statutory duties of the  
348 division ~~Office of Film and Entertainment~~. The rules are subject

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349 to approval by the Chief Financial Officer before adoption. The  
350 rules shall require the submission of paid receipts, or other  
351 proof of expenditure prescribed by the Chief Financial Officer,  
352 with any claim for reimbursement.

353 (3) The Division ~~Office~~ of Film and Entertainment shall  
354 include in the annual report for the entertainment industry  
355 financial incentive program required under s. 288.1254(10) a  
356 report of the division's ~~office's~~ expenditures for the previous  
357 fiscal year. The report must consist of a summary of all travel,  
358 entertainment, and incidental expenses incurred within the  
359 United States and all travel, entertainment, and incidental  
360 expenses incurred outside the United States, as well as a  
361 summary of all successful projects that developed from such  
362 travel.

363 (4) The Division ~~Office~~ of Film and Entertainment and its  
364 employees and representatives, when authorized, may accept and  
365 use complimentary travel, accommodations, meeting space, meals,  
366 equipment, transportation, and any other goods or services  
367 necessary for or beneficial to the performance of the division's  
368 ~~office's~~ duties and purposes, so long as such acceptance or use  
369 is not in conflict with part III of chapter 112. The department  
370 shall, by rule, develop internal controls to ensure that such  
371 goods or services accepted or used pursuant to this subsection  
372 are limited to those that will assist solely and exclusively in  
373 the furtherance of the division's ~~office's~~ goals and are in  
374 compliance with part III of chapter 112.

375 (5) Any claim submitted under this section is not required  
376 to be sworn to before a notary public or other officer  
377 authorized to administer oaths, but any claim authorized or

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378 required to be made under any provision of this section shall  
379 contain a statement that the expenses were actually incurred as  
380 necessary travel or entertainment expenses in the performance of  
381 official duties of the Division ~~Office~~ of Film and Entertainment  
382 and shall be verified by written declaration that it is true and  
383 correct as to every material matter. Any person who willfully  
384 makes and subscribes to any claim which he or she does not  
385 believe to be true and correct as to every material matter or  
386 who willfully aids or assists in, procures, or counsels or  
387 advises with respect to, the preparation or presentation of a  
388 claim pursuant to this section that is fraudulent or false as to  
389 any material matter, whether such falsity or fraud is with the  
390 knowledge or consent of the person authorized or required to  
391 present the claim, commits a misdemeanor of the second degree,  
392 punishable as provided in s. 775.082 or s. 775.083. Whoever  
393 receives a reimbursement by means of a false claim is civilly  
394 liable, in the amount of the overpayment, for the reimbursement  
395 of the public fund from which the claim was paid.

396 Section 5. Section 288.1254, Florida Statutes, is amended  
397 to read:

398 288.1254 Entertainment industry financial incentive  
399 program.—

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

401 (a) "Certified production" means a qualified production  
402 that has tax credits allocated to it by the department based on  
403 the production's estimated qualified expenditures, up to the  
404 production's maximum certified amount of tax credits, by the  
405 department. The term does not include a production if its first  
406 day of principal photography or project start date in this state

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407 occurs before the production is certified by the department,  
408 unless the production spans more than 1 fiscal year, was a  
409 certified production on its first day of principal photography  
410 or project start date in this state, and submits an application  
411 for continuing the same production for the subsequent fiscal  
412 year.

413 (b) "Digital media project" means a production of  
414 interactive entertainment that is produced for distribution in  
415 commercial or educational markets. The term includes a video  
416 game or production intended for Internet or wireless  
417 distribution, an interactive website, digital animation, and  
418 visual effects, including, but not limited to, three-dimensional  
419 movie productions and movie conversions. The term does not  
420 include a production that contains content that is obscene as  
421 defined in s. 847.001.

422 (c) "High-impact digital media project" means a digital  
423 media project that has qualified expenditures greater than \$4.5  
424 million.

425 (d) "High-impact television series" means:

426 1. A production created to run multiple production seasons  
427 which has ~~and having~~ an estimated order of at least seven  
428 episodes per season and qualified expenditures of at least  
429 \$625,000 per episode; or

430 2. A telenovela that has qualified expenditures of more  
431 than \$4.5 million; a minimum of 45 principal photography days  
432 filmed in this state; a production cast, including background  
433 actors, and crew of which at least 90 percent are legal  
434 residents of this state; and at least 90 percent of its  
435 production occurring in this state.

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436 ~~(c) "Off-season certified production" means a feature film,~~  
437 ~~independent film, or television series or pilot that films 75~~  
438 ~~percent or more of its principal photography days from June 1~~  
439 ~~through November 30.~~

440 (e) ~~(f)~~ "Principal photography" means the filming of major  
441 or significant components of the qualified production which  
442 involve lead actors.

443 (f) ~~(g)~~ "Production" means a theatrical, ~~or~~ direct-to-video,  
444 or direct-to-internet motion picture; a made-for-television  
445 motion picture; visual effects or digital animation sequences  
446 produced in conjunction with a motion picture; a commercial; a  
447 music video; an industrial or educational film; an infomercial;  
448 a documentary film; a television pilot program; a presentation  
449 for a television pilot program; a television series, including,  
450 but not limited to, a drama, a reality show, a comedy, a soap  
451 opera, a telenovela, a game show, an awards show, or a  
452 miniseries production; a direct-to-internet television series;  
453 or a digital media project by the entertainment industry. One  
454 season of a television series is considered one production. The  
455 term does not include a weather or market program; a sporting  
456 event or a sporting event broadcast; a gala; a production that  
457 solicits funds; a home shopping program; a political program; a  
458 political documentary; political advertising; a gambling-related  
459 project or production; a concert production; a local, regional,  
460 or Internet-distributed-only news show or current-events show; a  
461 sports news or sports recap show; a pornographic production; or  
462 any production deemed obscene under chapter 847. A production  
463 may be produced on or by film, tape, or otherwise by means of a  
464 motion picture camera; electronic camera or device; tape device;



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465 computer; any combination of the foregoing; or any other means,  
466 method, or device.

467 (g)~~(h)~~ "Production expenditures" means the costs of  
468 tangible and intangible property used for, and services  
469 performed primarily and customarily in, production, including  
470 preproduction and postproduction, but excluding costs for  
471 development, marketing, and distribution. The term includes, but  
472 is not limited to:

473 1. Wages, salaries, or other compensation paid to legal  
474 residents of this state, including amounts paid through payroll  
475 service companies, for technical and production crews,  
476 directors, producers, and performers.

477 2. Net expenditures for sound stages, backlots, production  
478 editing, digital effects, sound recordings, sets, and set  
479 construction.

480 3. Net expenditures for rental equipment, including, but  
481 not limited to, cameras and grip or electrical equipment.

482 4. Up to \$300,000 of the costs of newly purchased computer  
483 software and hardware unique to the project, including servers,  
484 data processing, and visualization technologies, which are  
485 located in and used exclusively in the state for the production  
486 of digital media.

487 5. Expenditures for meals, travel, and accommodations. For  
488 purposes of this paragraph, the term "net expenditures" means  
489 the actual amount of money a qualified production spent for  
490 equipment or other tangible personal property, after subtracting  
491 any consideration received for reselling or transferring the  
492 item after the qualified production ends, if applicable.

493 (h)~~(i)~~ "Qualified expenditures" means production

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494 expenditures incurred in this state by a qualified production  
495 for:

496 1. Goods purchased or leased from, or services, including,  
497 but not limited to, insurance costs and bonding, payroll  
498 services, and legal fees, which are provided by, a vendor or  
499 supplier in this state that is registered with the Department of  
500 State or the Department of Revenue, has a physical location in  
501 this state, and employs one or more legal residents of this  
502 state. This does not include rebilled goods or services provided  
503 by an in-state company from out-of-state vendors or suppliers.  
504 When services provided by the vendor or supplier include  
505 personal services or labor, only personal services or labor  
506 provided by residents of this state, evidenced by the required  
507 documentation of residency in this state, qualify.

508 2. Payments to legal residents of this state in the form of  
509 salary, wages, or other compensation up to a maximum of \$400,000  
510 per resident unless otherwise specified in subsection (4). A  
511 completed declaration of residency in this state must accompany  
512 the documentation submitted to the department ~~office~~ for  
513 reimbursement.

514  
515 For a qualified production involving an event, such as an awards  
516 show, the term does not include expenditures solely associated  
517 with the event itself and not directly required by the  
518 production. The term does not include expenditures incurred  
519 before certification, with the exception of those incurred for a  
520 commercial, a music video, or the pickup of additional episodes  
521 of a high-impact television series within a single season. Under  
522 no circumstances may the qualified production include in the

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523 calculation for qualified expenditures the original purchase  
524 price for equipment or other tangible property that is later  
525 sold or transferred by the qualified production for  
526 consideration. In such cases, the qualified expenditure is the  
527 net of the original purchase price minus the consideration  
528 received upon sale or transfer.

529 (i)~~(j)~~ "Qualified production" means a production in this  
530 state meeting the requirements of this section. The term does  
531 not include a production:

532 1. In which, ~~for the first 2 years of the incentive~~  
533 ~~program, less than 50 percent, and thereafter, less than 70~~ 60  
534 percent, of the positions that make up its production cast and  
535 below-the-line production crew, or, in the case of digital media  
536 projects, less than 80 ~~75~~ percent of such positions, are filled  
537 by legal residents of this state, whose residency is  
538 demonstrated by a valid Florida driver ~~driver's~~ license or other  
539 state-issued identification confirming residency, or students  
540 enrolled full-time in a film-and-entertainment-related course of  
541 study at an institution of higher education in this state; or

542 2. That contains obscene content as defined in s.  
543 847.001(10).

544 (j)~~(k)~~ "Qualified production company" means a corporation,  
545 limited liability company, partnership, or other legal entity  
546 engaged in one or more productions in this state.

547 ~~(l) "Qualified digital media production facility" means a~~  
548 ~~building or series of buildings and their improvements in which~~  
549 ~~data processing, visualization, and sound synchronization~~  
550 ~~technologies are regularly applied for the production of~~  
551 ~~qualified digital media projects or the digital animation~~

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552 ~~components of qualified productions.~~

553 ~~(m) "Qualified production facility" means a building or~~  
554 ~~complex of buildings and their improvements and associated~~  
555 ~~backlot facilities in which regular filming activity for film or~~  
556 ~~television has occurred for a period of no less than 1 year and~~  
557 ~~which contain at least one sound stage of at least 7,800 square~~  
558 ~~feet.~~

559 ~~(n) "Regional population ratio" means the ratio of the~~  
560 ~~population of a region to the population of this state. The~~  
561 ~~regional population ratio applicable to a given fiscal year is~~  
562 ~~the regional population ratio calculated by the Office of Film~~  
563 ~~and Entertainment using the latest official estimates of~~  
564 ~~population certified under s. 186.901, available on the first~~  
565 ~~day of that fiscal year.~~

566 ~~(o) "Regional tax credit ratio" means a ratio the numerator~~  
567 ~~of which is the sum of tax credits awarded to productions in a~~  
568 ~~region to date plus the tax credits certified, but not yet~~  
569 ~~awarded, to productions currently in that region and the~~  
570 ~~denominator of which is the sum of all tax credits awarded in~~  
571 ~~the state to date plus all tax credits certified, but not yet~~  
572 ~~awarded, to productions currently in the state. The regional tax~~  
573 ~~credit ratio applicable to a given year is the regional tax~~  
574 ~~credit ratio calculated by the Office of Film and Entertainment~~  
575 ~~using credit award and certification information available on~~  
576 ~~the first day of that fiscal year.~~

577 ~~(p) "Underutilized region" for a given state fiscal year~~  
578 ~~means a region with a regional tax credit ratio applicable to~~  
579 ~~that fiscal year that is lower than its regional population~~  
580 ~~ratio applicable to that fiscal year. The following regions are~~

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581 ~~established for purposes of making this determination:~~

582 ~~1. North Region, consisting of Alachua, Baker, Bay,~~  
583 ~~Bradford, Calhoun, Clay, Columbia, Dixie, Duval, Escambia,~~  
584 ~~Franklin, Gadsden, Gilchrist, Gulf, Hamilton, Holmes, Jackson,~~  
585 ~~Jefferson, Lafayette, Leon, Levy, Liberty, Madison, Nassau,~~  
586 ~~Okaloosa, Putnam, Santa Rosa, St. Johns, Suwannee, Taylor,~~  
587 ~~Union, Wakulla, Walton, and Washington Counties.~~

588 ~~2. Central East Region, consisting of Brevard, Flagler,~~  
589 ~~Indian River, Lake, Okeechobee, Orange, Osceola, Seminole, St.~~  
590 ~~Lucie, and Volusia Counties.~~

591 ~~3. Central West Region, consisting of Citrus, Hernando,~~  
592 ~~Hillsborough, Manatee, Marion, Polk, Pasco, Pinellas, Sarasota,~~  
593 ~~and Sumter Counties.~~

594 ~~4. Southwest Region, consisting of Charlotte, Collier,~~  
595 ~~DeSoto, Glades, Hardee, Hendry, Highlands, and Lee Counties.~~

596 ~~5. Southeast Region, consisting of Broward, Martin, Miami-~~  
597 ~~Dade, Monroe, and Palm Beach Counties.~~

598 ~~(k)-(q)~~ "Interactive website" means a website or group of  
599 websites that includes interactive and downloadable content, and  
600 creates 25 new Florida full-time equivalent positions operating  
601 from a principal place of business located within Florida. An  
602 interactive website or group of websites must provide  
603 documentation that those jobs were created to the department  
604 before ~~Office of Film and Entertainment prior to~~ the award of  
605 tax credits. Each subsequent program application must provide  
606 proof that 25 Florida full-time equivalent positions are  
607 maintained.

608 (2) CREATION AND PURPOSE OF PROGRAM.—The entertainment  
609 industry financial incentive program is created ~~within the~~

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610 ~~Office of Film and Entertainment. The purpose of this program is~~  
611 to encourage the use of this state as a site for entertainment  
612 production, for filming, and for the digital production of  
613 entertainment films, and to develop and sustain the workforce  
614 and infrastructure for film, digital media, and entertainment  
615 production.

616 (3) APPLICATION PROCEDURE; APPROVAL PROCESS.—

617 (a) *Program application.*—A qualified production company  
618 producing a qualified production in this state may submit a  
619 program application to the department ~~Office of Film and~~  
620 ~~Entertainment~~ for the purpose of determining qualification for  
621 an award of tax credits authorized by this section no earlier  
622 than 150 ~~180~~ days before the first day of principal photography  
623 or project start date in this state. The applicant shall provide  
624 the department ~~Office of Film and Entertainment~~ with information  
625 required to determine whether the production is a qualified  
626 production and to determine the qualified expenditures and other  
627 information necessary for the department ~~office~~ to determine  
628 eligibility for the tax credit.

629 (b) *Required documentation.*—The department ~~Office of Film~~  
630 ~~and Entertainment~~ shall develop an application form for  
631 qualifying an applicant as a qualified production. The form must  
632 include, but need not be limited to, production-related  
633 information concerning employment of residents in this state, a  
634 detailed budget of planned qualified expenditures and aggregate  
635 nonqualified expenditures in this state, proof of financing for  
636 the production, proof of local financial commitment, and the  
637 applicant's signed affirmation that the information on the form  
638 has been verified and is correct. The Division ~~Office~~ of Film

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639 and Entertainment of Enterprise Florida, Inc., and local film  
640 commissions shall distribute the form.

641 (c) Application process.—The department ~~Office of Film and~~  
642 ~~Entertainment~~ shall establish a process by which an application  
643 is accepted and reviewed and by which tax credit eligibility and  
644 award amount are determined. The department may consult with the  
645 Division ~~Office~~ of Film and Entertainment of Enterprise Florida,  
646 Inc., ~~or may request assistance from~~ a duly appointed local film  
647 commission in determining compliance with this section.

648 1. Applications may be accepted until, and shall include,  
649 the application that causes the amount of tax credit eligibility  
650 requested to exceed 125 percent of tax credits allocated for the  
651 fiscal year under paragraph (7) (a). Applications received after  
652 all tax credits allocated for the fiscal year have been  
653 certified shall be assigned a queue number that is determined by  
654 the date and time the application was received by the  
655 department. Applications in the queue are deemed denied on June  
656 30 of each year.

657 2. A ~~certified~~ high-impact television series may submit an  
658 initial application for no more than two successive seasons,  
659 notwithstanding the fact that the second season has ~~successive~~  
660 ~~seasons have~~ not been ordered. The ~~successive season's~~ qualified  
661 expenditure amounts for the second season shall be based on the  
662 current season's estimated qualified expenditures. Upon the  
663 completion of production of each season, a high-impact  
664 television series may submit an application for no more than one  
665 additional season. To be certified for credits, the applicant  
666 must provide proof that the additional season has been ordered  
667 as part of the application for the additional season.

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668       3. An applicant must submit proof of financial commitment  
669 by each county in which the applicant will engage in principal  
670 photography or project production. The financial commitment must  
671 be a cash match equal to 10 percent of the total amount of  
672 credit applied for by the applicant. If at least 70 percent of  
673 the production occurs within a county designated as an  
674 underutilized county at the time that the production is  
675 certified, the cash match must equal 5 percent of the total  
676 amount of credit applied for by the applicant. The term  
677 "underutilized county" means a county in which less than  
678 \$500,000 in qualified expenditures were made in the last 2  
679 fiscal years.

680       (d) *Certification.*—

681       1. The department Office of Film and Entertainment shall  
682 review the application within 15 business days after receipt.  
683 Upon the department's ~~its~~ determination, in consultation with  
684 the Division of Film and Entertainment of Enterprise Florida,  
685 Inc., that the application contains all the information required  
686 by this subsection and meets the criteria set out in this  
687 section, the department Office of Film and Entertainment shall  
688 deny qualify the applicant and recommend to the department that  
689 the applicant be certified for the maximum tax credit award  
690 amount. Within 5 business days after receipt of the  
691 recommendation, the department shall reject the application  
692 recommendation or certify the maximum recommended tax credit  
693 award in an amount reduced by 5 percent or 10 percent, as  
694 required in subparagraph (c)3., if any funds are available, to  
695 the applicant and to the executive director of the Department of  
696 Revenue.



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697       2. In a fiscal year, the department may certify only the  
698 amount of tax credits allocated for that fiscal year, as  
699 provided under subsection (7). However, the department may  
700 certify a high-impact television series for additional tax  
701 credits allocated in a future fiscal year if the high-impact  
702 television series has an executed contract or order for season  
703 renewal effective for the future fiscal year from which tax  
704 credits would be allocated. The department may certify one  
705 additional ordered season per future fiscal year in which the  
706 qualified production would occur.

707       (e) *Employment.*—Upon certification by the department, the  
708 production must provide the department and the Division of Film  
709 and Entertainment of Enterprise Florida, Inc., with a single  
710 point of contact and information related to the production's  
711 needs for cast, crew, contractors, and vendors. The division  
712 shall publish this information online, including the type of  
713 production, the projected start date of the production, the  
714 locations in this state for such production, and the e-mail or  
715 other contact information for the production's point of contact.  
716 The department, in consultation with the division, may adopt  
717 procedures for a production to post such information itself  
718 within 7 days after certification.

719       (f) ~~(e)~~ *Grounds for denial.*—

720       1. The department ~~Office of Film and Entertainment~~ shall  
721 deny an application if it determines that the application is not  
722 complete, ~~or~~ the production or application does not meet the  
723 requirements of this section, or there are no additional credits  
724 for certification as provided under paragraph (c). ~~Within 90~~  
725 days after submitting a program application, except with respect

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726 ~~to applications in the independent and emerging media queue, a~~  
727 ~~production must provide proof of project financing to the Office~~  
728 ~~of Film and Entertainment, otherwise the project is deemed~~  
729 ~~denied and withdrawn. A project that has been denied withdrawn~~  
730 ~~may submit a new application upon providing the Office of Film~~  
731 ~~and Entertainment proof of financing.~~

732 2. The department shall deny a certified production upon  
733 any circumstance affecting the reasonable schedule or timely  
734 completion of the certified production, including a break in  
735 production, change in the production schedule, or loss of  
736 financing for the production. A certified production must notify  
737 the department within 5 days after any circumstance affecting  
738 its timely completion. A certified production may not be denied  
739 if it provides the department with proof of replacement  
740 financing within 10 days after the loss of financing for the  
741 production. To keep a reasonable schedule, the certified  
742 production must begin principal photography or the production  
743 project in this state no more than 45 calendar days before or  
744 after the principal photography or project start date provided  
745 in the production's program application.

746 ~~(g)(f) Verification of actual qualified expenditures.-~~

747 1. The department, in consultation with the Division of  
748 Film and Entertainment, ~~Office of Film and Entertainment~~ shall  
749 develop a process to verify the actual qualified expenditures of  
750 a certified production. The process must require:

751 a. A certified production to submit, within 180 days in a  
752 ~~timely manner~~ after production ends in this state and after  
753 making all of its qualified expenditures in this state, data  
754 substantiating each qualified expenditure, including

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755 documentation on the net expenditure on equipment and other  
756 tangible personal property by the qualified production, to an  
757 independent certified public accountant licensed in this state;

758       b. Such accountant to conduct a compliance audit, at the  
759 certified production's expense, to substantiate each qualified  
760 expenditure and submit the results as a report, along with the  
761 required substantiating data, to the department ~~Office of Film~~  
762 ~~and Entertainment~~; and

763       c. The department ~~Office of Film and Entertainment~~ to  
764 review the accountant's submittal and verify ~~report to the~~  
765 ~~department~~ the final ~~verified~~ amount of actual qualified  
766 expenditures made by the certified production.

767       2. The department shall verify that the qualified  
768 production received the local financial commitment required  
769 under paragraph (c). If the qualified production did not meet  
770 this requirement, the department shall deny the total tax credit  
771 award amount.

772       ~~3.2.~~ The department shall determine and approve the final  
773 tax credit award amount to each certified applicant based on the  
774 final verified amount of actual qualified expenditures and  
775 evidence that the qualified production met the requirements of  
776 this section. The department shall notify the executive director  
777 of the Department of Revenue in writing that the certified  
778 production has met the requirements of the incentive program and  
779 of the final amount of the tax credit award. The final tax  
780 credit award amount may not exceed the maximum tax credit award  
781 amount certified under paragraph (d).

782       (h)-(g) Promoting Florida.—The department ~~Office of Film and~~  
783 ~~Entertainment~~ shall ensure that, as a condition of receiving a

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784 tax credit under this section, marketing materials promoting  
785 this state as a tourist destination or film and entertainment  
786 production destination are included, when appropriate, at no  
787 cost to the state, which must, at a minimum, include placement  
788 of a "Filmed in Florida" or "Produced in Florida" logo in the  
789 opening titles and end credits. The placement of a "Filmed in  
790 Florida" or "Produced in Florida" logo on all packaging material  
791 and hard media is also required, unless such placement is  
792 prohibited by licensing or other contractual obligations. The  
793 size and placement of such logo shall be commensurate to other  
794 logos used. If no logos are used, the statement "Filmed in  
795 Florida using Florida's Entertainment Industry Financial  
796 Incentive," or a similar statement approved by the Division  
797 ~~Office~~ of Film and Entertainment of Enterprise Florida, Inc.,  
798 shall be used. The Division ~~Office~~ of Film and Entertainment of  
799 Enterprise Florida, Inc., shall provide a logo and supply it for  
800 the purposes specified in this paragraph. A 30-second "Visit  
801 Florida" promotional video must also be included on all optical  
802 disc formats of a film, unless such placement is prohibited by  
803 licensing or other contractual obligations. The 30-second  
804 promotional video shall be approved and provided by the Florida  
805 Tourism Industry Marketing Corporation in consultation with the  
806 Division ~~Commissioner~~ of Film and Entertainment of Enterprise  
807 Florida, Inc.

808 (4) TAX CREDIT ELIGIBILITY; TAX CREDIT AWARDS; QUEUES;  
809 ELECTION AND DISTRIBUTION; CARRYFORWARD; CONSOLIDATED RETURNS;  
810 PARTNERSHIP AND NONCORPORATE DISTRIBUTIONS; MERGERS AND  
811 ACQUISITIONS.—

812 (a) *Priority for tax credit award.*—The priority of a

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813 qualified production for tax credit awards must be determined on  
814 a first-come, first-served basis within its appropriate queue.  
815 Each qualified production must be placed into the appropriate  
816 queue and is subject to the requirements of that queue.

817 (b) *Tax credit eligibility.*—

818 1. General production queue.—Ninety-four percent of tax  
819 credits authorized pursuant to subsection (7) ~~(6)~~ in any state  
820 fiscal year must be dedicated to the general production queue.  
821 The general production queue consists of all qualified  
822 productions other than those eligible for the commercial and  
823 music video queue or the independent and emerging media  
824 production queue. A qualified production that demonstrates a  
825 minimum of \$625,000 in qualified expenditures is eligible for  
826 tax credits equal to 20 percent of its actual qualified  
827 expenditures, up to a maximum of \$8 million. A qualified  
828 production that incurs qualified expenditures during multiple  
829 state fiscal years may combine those expenditures to satisfy the  
830 \$625,000 minimum threshold.

831 a. For the first 10 months of each fiscal year, 20 percent  
832 of the credits in the general production queue shall be set  
833 aside for qualified productions in underutilized counties. A  
834 qualified production eligible for these funds is a production  
835 for which at least 70 percent of its principal photography days  
836 occur within an underutilized county designated as an  
837 underutilized county at the time that the production is  
838 certified. The term "underutilized county" means a county in  
839 which less than \$500,000 in qualified expenditures were made in  
840 the last 2 fiscal years. Any funds not yet certified from this  
841 set-aside at the end of the 10-month period may be certified to

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842 qualified productions pursuant to this section ~~An off-season~~  
843 ~~certified production that is a feature film, independent film,~~  
844 ~~or television series or pilot is eligible for an additional 5~~  
845 ~~percent tax credit on actual qualified expenditures. An off-~~  
846 ~~season certified production that does not complete 75 percent of~~  
847 ~~principal photography due to a disruption caused by a hurricane~~  
848 ~~or tropical storm may not be disqualified from eligibility for~~  
849 ~~the additional 5 percent credit as a result of the disruption.~~

850       ~~b. If more than 45 percent of the sum of total tax credits~~  
851 ~~initially certified and awarded after April 1, 2012, total tax~~  
852 ~~credits initially certified after April 1, 2012, but not yet~~  
853 ~~awarded, and total tax credits available for certification after~~  
854 ~~April 1, 2012, but not yet certified has been awarded for high-~~  
855 ~~impact television series, then no high-impact television series~~  
856 ~~is eligible for tax credits under this subparagraph. Tax credits~~  
857 ~~initially certified for a high-impact television series after~~  
858 ~~April 1, 2012, may not be awarded if the award will cause the~~  
859 ~~percentage threshold in this sub-subparagraph to be exceeded.~~  
860 ~~This sub-subparagraph does not prohibit the award of tax credits~~  
861 ~~certified before April 1, 2012, for high-impact television~~  
862 ~~series.~~

863       b.e. ~~Subject to sub-subparagraph b.,~~ First priority in the  
864 queue for tax credit awards not yet certified shall be given to  
865 high-impact television series and high-impact digital media  
866 projects. For the purposes of determining priority between a  
867 high-impact television series and a high-impact digital media  
868 project, the first position must go to the first application  
869 received. Thereafter, priority shall be determined ~~by~~  
870 ~~alternating between a high-impact television series and a high-~~

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871 ~~impact digital media project on a first-come, first-served~~  
872 ~~basis. However, if the Office of Film and Entertainment receives~~  
873 ~~an application for a high-impact television series or high-~~  
874 ~~impact digital media project that would be certified but for the~~  
875 ~~alternating priority, the office may certify the project as~~  
876 ~~being in the priority position if an application that would~~  
877 ~~normally be the priority position is not received within 5~~  
878 ~~business days.~~

879 ~~d. A qualified production for which at least 67 percent of~~  
880 ~~its principal photography days occur within a region designated~~  
881 ~~as an underutilized region at the time that the production is~~  
882 ~~certified is eligible for an additional 5 percent tax credit.~~

883 ~~c.e.~~ A qualified production is eligible for an additional  
884 15 percent tax credit on qualified expenditures that are wages,  
885 salaries, or other compensation paid to the following  
886 individuals employed by the qualified production: that employs  
887 students enrolled full-time in a film and entertainment-related  
888 or digital media-related course of study at an institution of  
889 higher education in this state, individuals participating in the  
890 Road-to-Independence Program under s. 409.1451, individuals with  
891 developmental disabilities as defined under s. 393.063 residing  
892 in this state, veterans residing in this state, and individuals  
893 ~~is eligible for an additional 15 percent tax credit on qualified~~  
894 ~~expenditures that are wages, salaries, or other compensation~~  
895 ~~paid to such students. The additional 15 percent tax credit is~~  
896 ~~also applicable to persons hired within 12 months after~~  
897 ~~graduating from a film and entertainment-related or digital~~  
898 ~~media-related course of study at an institution of higher~~  
899 ~~education in this state. The additional 15 percent tax credit~~

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900 ~~applies to qualified expenditures that are wages, salaries, or~~  
901 ~~other compensation paid to such recent graduates for 1 year~~  
902 ~~after the date of hiring.~~

903 ~~f. A qualified production for which 50 percent or more of~~  
904 ~~its principal photography occurs at a qualified production~~  
905 ~~facility, or a qualified digital media project or the digital~~  
906 ~~animation component of a qualified production for which 50~~  
907 ~~percent or more of the project's or component's qualified~~  
908 ~~expenditures are related to a qualified digital media production~~  
909 ~~facility, is eligible for an additional 5 percent tax credit on~~  
910 ~~actual qualified expenditures for production activity at that~~  
911 ~~facility.~~

912 d. A qualified production that completes a capital  
913 investment of at least \$2 million before the completion of the  
914 qualified production is eligible for an additional 5 percent tax  
915 credit. The capital investment must be permanent and must remain  
916 in this state after the production ends in this state.

917 ~~e.g.~~ A qualified production is not eligible for tax credits  
918 provided under this paragraph totaling more than 25 percent ~~30~~  
919 ~~percent~~ of its actual qualified expenses.

920 2. Commercial and music video queue.—Three percent of tax  
921 credits authorized pursuant to subsection (7) ~~(6)~~ in any state  
922 fiscal year must be dedicated to the commercial and music video  
923 queue. A qualified production company that produces national or  
924 regional commercials or music videos may be eligible for a tax  
925 credit award if it demonstrates a minimum of \$100,000 in  
926 qualified expenditures per national or regional commercial or  
927 music video and exceeds a combined threshold of \$500,000 after  
928 combining actual qualified expenditures from qualified



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929 commercials and music videos during a single state fiscal year.  
930 After a qualified production company that produces commercials,  
931 music videos, or both reaches the threshold of \$500,000, it is  
932 eligible to apply for certification for a tax credit award. The  
933 maximum credit award shall be equal to 20 percent of its actual  
934 qualified expenditures up to a maximum of \$500,000. If there is  
935 a surplus at the end of a fiscal year after the department  
936 ~~Office of Film and Entertainment~~ certifies and determines the  
937 tax credits for all qualified commercial and video projects,  
938 such surplus tax credits shall be carried forward to the  
939 following fiscal year and are available to any eligible  
940 qualified productions under the general production queue.

941 3. Independent and emerging media production queue.—Three  
942 percent of tax credits authorized pursuant to subsection (7) ~~(6)~~  
943 in any state fiscal year must be dedicated to the independent  
944 and emerging media production queue. This queue is intended to  
945 encourage independent film and emerging media production in this  
946 state. Any qualified production, excluding commercials,  
947 infomercials, or music videos, which demonstrates at least  
948 \$100,000, but not more than \$625,000, in total qualified  
949 expenditures is eligible for tax credits equal to 20 percent of  
950 its actual qualified expenditures. If a surplus exists at the  
951 end of a fiscal year after the department ~~Office of Film and~~  
952 ~~Entertainment~~ certifies and determines the tax credits for all  
953 qualified independent and emerging media production projects,  
954 such surplus tax credits shall be carried forward to the  
955 following fiscal year and are available to any eligible  
956 qualified productions under the general production queue.

957 ~~4. Family friendly productions. A certified theatrical or~~

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958 ~~direct to video motion picture production or video game~~  
959 ~~determined by the Commissioner of Film and Entertainment, with~~  
960 ~~the advice of the Florida Film and Entertainment Advisory~~  
961 ~~Council, to be family friendly, based on review of the script~~  
962 ~~and review of the final release version, is eligible for an~~  
963 ~~additional tax credit equal to 5 percent of its actual qualified~~  
964 ~~expenditures. Family-friendly productions are those that have~~  
965 ~~cross-generational appeal; would be considered suitable for~~  
966 ~~viewing by children age 5 or older; are appropriate in theme,~~  
967 ~~content, and language for a broad family audience; embody a~~  
968 ~~responsible resolution of issues; and do not exhibit or imply~~  
969 ~~any act of smoking, sex, nudity, or vulgar or profane language.~~

970 ~~(c) *Withdrawal of tax credit eligibility.*—A qualified or~~  
971 ~~certified production must continue on a reasonable schedule,~~  
972 ~~which includes beginning principal photography or the production~~  
973 ~~project in this state no more than 45 calendar days before or~~  
974 ~~after the principal photography or project start date provided~~  
975 ~~in the production's program application. The department shall~~  
976 ~~withdraw the eligibility of a qualified or certified production~~  
977 ~~that does not continue on a reasonable schedule.~~

978 ~~(c)(d) *Election and distribution of tax credits.*—~~

979 1. A certified production company receiving a tax credit  
980 award under this section shall, at the time the credit is  
981 awarded by the department after production is completed and all  
982 requirements to receive a credit award have been met, make an  
983 irrevocable election to apply the credit against taxes due under  
984 chapter 220, against state taxes collected or accrued under  
985 chapter 212, or against a stated combination of the two taxes.  
986 The election is binding upon any distributee, successor,

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987 transferee, or purchaser. The department shall notify the  
988 Department of Revenue of any election made pursuant to this  
989 paragraph.

990 2. A qualified production company is eligible for tax  
991 credits against its sales and use tax liabilities and corporate  
992 income tax liabilities as provided in this section. However, tax  
993 credits awarded under this section may not be claimed against  
994 sales and use tax liabilities or corporate income tax  
995 liabilities for any tax period beginning before July 1, 2011,  
996 regardless of when the credits are applied for or awarded.

997 (d)~~(e)~~ *Tax credit carryforward.*—If the certified production  
998 company cannot use the entire tax credit in the taxable year or  
999 reporting period in which the credit is awarded, any excess  
1000 amount may be carried forward to a succeeding taxable year or  
1001 reporting period. A tax credit applied against taxes imposed  
1002 under chapter 212 or ~~may be carried forward for a maximum of 5~~  
1003 ~~years after the date the credit is awarded. A tax credit applied~~  
1004 ~~against taxes imposed under~~ chapter 220 may be carried forward  
1005 for a maximum of 5 years after the date the credit is awarded,  
1006 after which the credit expires and may not be used.

1007 (e)~~(f)~~ *Consolidated returns.*—A certified production company  
1008 that files a Florida consolidated return as a member of an  
1009 affiliated group under s. 220.131(1) may be allowed the credit  
1010 on a consolidated return basis up to the amount of the tax  
1011 imposed upon the consolidated group under chapter 220.

1012 (f)~~(g)~~ *Partnership and noncorporate distributions.*—A  
1013 qualified production company that is not a corporation as  
1014 defined in s. 220.03 may elect to distribute tax credits awarded  
1015 under this section to its partners or members in proportion to

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1016 their respective distributive income or loss in the taxable year  
1017 in which the tax credits were awarded.

1018 (g)~~(h)~~ *Mergers or acquisitions.*—Tax credits available under  
1019 this section to a certified production company may succeed to a  
1020 surviving or acquiring entity subject to the same conditions and  
1021 limitations as described in this section; however, they may not  
1022 be transferred again by the surviving or acquiring entity.

1023 (5) TRANSFER OF TAX CREDITS.—

1024 (a) *Authorization.*—Upon application to ~~the Office of Film~~  
1025 ~~and Entertainment~~ and approval by the department, a certified  
1026 production company, or a partner or member that has received a  
1027 distribution under paragraph (4) (f) ~~(4) (g)~~, may elect to  
1028 transfer, in whole or in part, any unused credit amount granted  
1029 under this section. An election to transfer any unused tax  
1030 credit amount under chapter 212 or chapter 220 must be made no  
1031 later than 5 years after the date the credit is awarded, after  
1032 which period the credit expires and may not be used. The  
1033 department shall notify the Department of Revenue of the  
1034 election and transfer.

1035 (b) *Number of transfers permitted.*—A certified production  
1036 company that elects to apply a credit amount against taxes  
1037 remitted under chapter 212 is permitted a one-time transfer of  
1038 unused credits to one transferee. A certified production company  
1039 that elects to apply a credit amount against taxes due under  
1040 chapter 220 is permitted a one-time transfer of unused credits  
1041 to no more than four transferees, and such transfers must occur  
1042 in the same taxable year.

1043 (c) *Transferee rights and limitations.*—The transferee is  
1044 subject to the same rights and limitations as the certified

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1045 production company awarded the tax credit, except that the  
1046 initial transferee shall be permitted a one-time transfer of  
1047 unused credits to no more than two subsequent transferees, and  
1048 such transfers must occur in the same taxable year as the  
1049 credits were received by the initial transferee, after which the  
1050 subsequent transferees may not sell or otherwise transfer the  
1051 tax credit.

1052 (6) RELINQUISHMENT OF TAX CREDITS.—

1053 (a) Beginning July 1, 2011, a certified production company,  
1054 or any person who has acquired a tax credit from a certified  
1055 production company pursuant to subsections (4) and (5), may  
1056 elect to relinquish the tax credit to the Department of Revenue  
1057 in exchange for 90 percent of the amount of the relinquished tax  
1058 credit.

1059 (b) The Department of Revenue may approve payments to  
1060 persons relinquishing tax credits pursuant to this subsection.

1061 (c) Subject to legislative appropriation, the Department of  
1062 Revenue shall request the Chief Financial Officer to issue  
1063 warrants to persons relinquishing tax credits. Payments under  
1064 this subsection shall be made from the funds from which the  
1065 proceeds from the taxes against which the tax credits could have  
1066 been applied pursuant to the irrevocable election made by the  
1067 certified production company under subsection (4) are deposited.

1068 (7) ANNUAL ALLOCATION OF TAX CREDITS.—

1069 (a) The aggregate amount of the tax credits that may be  
1070 certified pursuant to paragraph (3) (d) may not exceed:

- 1071 1. For fiscal year 2010-2011, \$53.5 million.
- 1072 2. For fiscal year 2011-2012, \$74.5 million.
- 1073 3. For fiscal years 2012-2013, 2013-2014, 2014-2015, and

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1074 2015-2016, \$42 million per fiscal year.

1075 4. Beginning July 1, 2014, for fiscal years 2014-2015 and  
1076 2015-2016, an additional \$50 million per fiscal year.

1077 5. Beginning July 1, 2016, for fiscal years 2016-2017,  
1078 2017-2018, 2018-2019, and 2019-2020, \$50 million per fiscal  
1079 year.

1080 (b) Any portion of the maximum amount of tax credits  
1081 established per fiscal year in paragraph (a) that is not  
1082 certified as of the end of a fiscal year shall be carried  
1083 forward and made available for certification during the  
1084 following 2 fiscal years in addition to the amounts available  
1085 for certification under paragraph (a) for those fiscal years.

1086 (c) Upon approval of the final tax credit award amount  
1087 pursuant to subparagraph (3)(g)2. ~~(3)(f)2.~~, an amount equal to  
1088 the difference between the maximum tax credit award amount  
1089 previously certified under paragraph (3)(d) and the approved  
1090 final tax credit award amount shall immediately be available for  
1091 recertification during the current and following fiscal years in  
1092 addition to the amounts available for certification under  
1093 paragraph (a) for those fiscal years.

1094 (d) Amounts available on and after July 1, 2014, for  
1095 certification may not be certified before the fiscal year in  
1096 which the amounts are listed in paragraph (a), except as  
1097 provided in subparagraph (3)(d)2. ~~If, during a fiscal year, the~~  
1098 ~~total amount of credits applied for, pursuant to paragraph~~  
1099 ~~(3)(a), exceeds the amount of credits available for~~  
1100 ~~certification in that fiscal year, such excess shall be treated~~  
1101 ~~as having been applied for on the first day of the next fiscal~~  
1102 ~~year in which credits remain available for certification.~~

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1103 (8) RULES, POLICIES, AND PROCEDURES.—

1104 (a) The department may adopt rules pursuant to ss.  
1105 120.536(1) and 120.54 and develop policies and procedures to  
1106 implement and administer this section, including, but not  
1107 limited to, rules specifying requirements for the application  
1108 and approval process, records required for substantiation for  
1109 tax credits, procedures for making the election in paragraph  
1110 (4) (c) ~~(4) (d)~~, the manner and form of documentation required to  
1111 claim tax credits awarded or transferred under this section, and  
1112 marketing requirements for tax credit recipients.

1113 (b) The Department of Revenue may adopt rules pursuant to  
1114 ss. 120.536(1) and 120.54 to administer this section, including  
1115 rules governing the examination and audit procedures required to  
1116 administer this section and the manner and form of documentation  
1117 required to claim tax credits awarded, transferred, or  
1118 relinquished under this section.

1119 (9) AUDIT AUTHORITY; REVOCATION AND FORFEITURE OF TAX  
1120 CREDITS; FRAUDULENT CLAIMS.—

1121 (a) *Audit authority.*—The Department of Revenue may conduct  
1122 examinations and audits as provided in s. 213.34 to verify that  
1123 tax credits under this section are received, transferred, and  
1124 applied according to the requirements of this section. If the  
1125 Department of Revenue determines that tax credits are not  
1126 received, transferred, or applied as required by this section,  
1127 it may, in addition to the remedies provided in this subsection,  
1128 pursue recovery of such funds pursuant to the laws and rules  
1129 governing the assessment of taxes.

1130 (b) *Revocation of tax credits.*—The department may revoke or  
1131 modify any written decision qualifying, certifying, or otherwise

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1132 granting eligibility for tax credits under this section if it is  
1133 discovered that the tax credit applicant submitted any false  
1134 statement, representation, or certification in any application,  
1135 record, report, plan, or other document filed in an attempt to  
1136 receive tax credits under this section. The department shall  
1137 immediately notify the Department of Revenue of any revoked or  
1138 modified orders affecting previously granted tax credits.  
1139 Additionally, the applicant must notify the Department of  
1140 Revenue of any change in its tax credit claimed.

1141 (c) *Forfeiture of tax credits.*—A determination by the  
1142 Department of Revenue, as a result of an audit pursuant to  
1143 paragraph (a) or from information received from the department  
1144 or the Division Office of Film and Entertainment of Enterprise  
1145 Florida, Inc., that an applicant received tax credits pursuant  
1146 to this section to which the applicant was not entitled is  
1147 grounds for forfeiture of previously claimed and received tax  
1148 credits. The applicant is responsible for returning forfeited  
1149 tax credits to the Department of Revenue, and such funds shall  
1150 be paid into the General Revenue Fund of the state. Tax credits  
1151 purchased in good faith are not subject to forfeiture unless the  
1152 transferee submitted fraudulent information in the purchase or  
1153 failed to meet the requirements in subsection (5).

1154 (d) *Fraudulent claims.*—Any applicant that submits  
1155 fraudulent information under this section is liable for  
1156 reimbursement of the reasonable costs and fees associated with  
1157 the review, processing, investigation, and prosecution of the  
1158 fraudulent claim. An applicant that obtains a credit payment  
1159 under this section through a claim that is fraudulent is liable  
1160 for reimbursement of the credit amount plus a penalty in an



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1161 amount double the credit amount. The penalty is in addition to  
1162 any criminal penalty to which the applicant is liable for the  
1163 same acts. The applicant is also liable for costs and fees  
1164 incurred by the state in investigating and prosecuting the  
1165 fraudulent claim.

1166 (10) ANNUAL REPORT.—Each November 1, the department ~~Office~~  
1167 ~~of Film and Entertainment~~ shall submit an annual report for the  
1168 previous fiscal year to the Governor, the President of the  
1169 Senate, and the Speaker of the House of Representatives which  
1170 outlines the incentive program's return on investment and  
1171 economic benefits to the state. The report must also include an  
1172 estimate of the full-time equivalent positions created by each  
1173 production that received tax credits under this section and  
1174 information relating to the distribution of productions  
1175 receiving credits by geographic region and type of production.  
1176 The report must also include the expenditures report required  
1177 under s. 288.9241 ~~s. 288.1253(3)~~ and the information describing  
1178 the relationship between tax exemptions and incentives to  
1179 industry growth required under s. 288.1258(5). The department  
1180 may work with the Division of Film and Entertainment of  
1181 Enterprise Florida, Inc., to develop the annual report.

1182 (11) REPEAL.—This section is repealed July 1, 2020 ~~July 1,~~  
1183 ~~2016~~, except that:

1184 (a) Tax credits certified under paragraph (3) (d) before  
1185 July 1, 2020 ~~July 1, 2016~~, may be awarded under paragraph (3) (g)  
1186 ~~(3) (f)~~ on or after July 1, 2020 ~~July 1, 2016~~, if the other  
1187 requirements of this section are met.

1188 (b) Tax credits carried forward under paragraph (4) (d)  
1189 ~~(4) (e)~~ remain valid for the period specified.

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1190 (c) Subsections (5), (8), and (9) shall remain in effect  
1191 until July 1, 2025 ~~July 1, 2021~~.

1192 Section 6. Beginning July 1, 2014, applications on file  
1193 with the Department of Economic Opportunity to receive a tax  
1194 credit through the entertainment industry financial incentive  
1195 program under s. 288.1254, Florida Statutes, which are not yet  
1196 certified are deemed denied.

1197 Section 7. Section 288.1258, Florida Statutes, is amended  
1198 to read:

1199 288.1258 Entertainment industry qualified production  
1200 companies; application procedure; categories; duties of the  
1201 Department of Revenue; records and reports.—

1202 (1) PRODUCTION COMPANIES AUTHORIZED TO APPLY.—

1203 (a) Any production company engaged in this state in the  
1204 production of motion pictures, made-for-TV motion pictures,  
1205 television series, commercial advertising, music videos, or  
1206 sound recordings may submit an application to the Department of  
1207 Revenue to be approved by the department ~~Office of Film and~~  
1208 ~~Entertainment~~ as a qualified production company for the purpose  
1209 of receiving a sales and use tax certificate of exemption from  
1210 the Department of Revenue.

1211 (b) As used in ~~For the purposes of~~ this section, the term  
1212 "qualified production company" means any production company that  
1213 has submitted a properly completed application to the Department  
1214 of Revenue and that is subsequently qualified by the department  
1215 ~~Office of Film and Entertainment~~.

1216 (2) APPLICATION PROCEDURE.—

1217 (a) The Department of Revenue will review all submitted  
1218 applications for the required information. Within 10 working

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1219 days after the receipt of a properly completed application, the  
1220 Department of Revenue will forward the completed application to  
1221 the department ~~Office of Film and Entertainment~~ for approval.

1222 (b)1. The department ~~Office of Film and Entertainment~~ shall  
1223 establish a process by which an entertainment industry  
1224 production company may be approved by the department ~~office~~ as a  
1225 qualified production company and may receive a certificate of  
1226 exemption from the Department of Revenue for the sales and use  
1227 tax exemptions under ss. 212.031, 212.06, and 212.08.

1228 2. Upon determination by the department ~~Office of Film and~~  
1229 ~~Entertainment~~ that a production company meets the established  
1230 approval criteria and qualifies for exemption, the department  
1231 ~~Office of Film and Entertainment~~ shall return the approved  
1232 application or application renewal or extension to the  
1233 Department of Revenue, which shall issue a certificate of  
1234 exemption.

1235 3. The department ~~Office of Film and Entertainment~~ shall  
1236 deny an application or application for renewal or extension from  
1237 a production company if it determines that the production  
1238 company does not meet the established approval criteria.

1239 (c) The department ~~Office of Film and Entertainment~~ shall  
1240 develop, with the cooperation of the Department of Revenue, the  
1241 Division of Film and Entertainment of Enterprise Florida, Inc.,  
1242 and local government entertainment industry promotion agencies,  
1243 a standardized application form for use in approving qualified  
1244 production companies.

1245 1. The application form shall include, but not be limited  
1246 to, production-related information on employment, proposed  
1247 budgets, planned purchases of items exempted from sales and use

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1248 taxes under ss. 212.031, 212.06, and 212.08, a signed  
1249 affirmation from the applicant that any items purchased for  
1250 which the applicant is seeking a tax exemption are intended for  
1251 use exclusively as an integral part of entertainment industry  
1252 preproduction, production, or postproduction activities engaged  
1253 in primarily in this state, and a signed affirmation from the  
1254 department ~~Office of Film and Entertainment~~ that the information  
1255 on the application form has been verified and is correct. In  
1256 lieu of information on projected employment, proposed budgets,  
1257 or planned purchases of exempted items, a production company  
1258 seeking a 1-year certificate of exemption may submit summary  
1259 historical data on employment, production budgets, and purchases  
1260 of exempted items related to production activities in this  
1261 state. Any information gathered from production companies for  
1262 the purposes of this section shall be considered confidential  
1263 taxpayer information and shall be disclosed only as provided in  
1264 s. 213.053.

1265 2. The application form may be distributed to applicants by  
1266 the department, the Division ~~Office~~ of Film and Entertainment of  
1267 Enterprise Florida, Inc., or local film commissions.

1268 (d) All applications, renewals, and extensions for  
1269 designation as a qualified production company shall be processed  
1270 by the department ~~Office of Film and Entertainment~~.

1271 (e) ~~If In the event that~~ the Department of Revenue  
1272 determines that a production company no longer qualifies for a  
1273 certificate of exemption, or has used a certificate of exemption  
1274 for purposes other than those authorized by this section and  
1275 chapter 212, the Department of Revenue shall revoke the  
1276 certificate of exemption of that production company, and any

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1277 sales or use taxes exempted on items purchased or leased by the  
1278 production company during the time such company did not qualify  
1279 for a certificate of exemption or improperly used a certificate  
1280 of exemption shall become immediately due to the Department of  
1281 Revenue, along with interest and penalty as provided by s.  
1282 212.12. In addition to the other penalties imposed by law, any  
1283 person who knowingly and willfully falsifies an application, or  
1284 uses a certificate of exemption for purposes other than those  
1285 authorized by this section and chapter 212, commits a felony of  
1286 the third degree, punishable as provided in ss. 775.082,  
1287 775.083, and 775.084.

1288 (3) CATEGORIES.—

1289 (a)1. A production company may be qualified for designation  
1290 as a qualified production company for a period of 1 year if the  
1291 company has operated a business in Florida at a permanent  
1292 address for a period of 12 consecutive months. Such a qualified  
1293 production company shall receive a single 1-year certificate of  
1294 exemption from the Department of Revenue for the sales and use  
1295 tax exemptions under ss. 212.031, 212.06, and 212.08, which  
1296 certificate shall expire 1 year after issuance or upon the  
1297 cessation of business operations in the state, at which time the  
1298 certificate shall be surrendered to the Department of Revenue.

1299 2. The department ~~Office of Film and Entertainment~~ shall  
1300 develop a method by which a qualified production company may  
1301 annually renew a 1-year certificate of exemption for a period of  
1302 up to 5 years without requiring the production company to  
1303 resubmit a new application during that 5-year period.

1304 3. Any qualified production company may submit a new  
1305 application for a 1-year certificate of exemption upon the

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1306 expiration of that company's certificate of exemption.

1307 (b)1. A production company may be qualified for designation  
1308 as a qualified production company for a period of 90 days. Such  
1309 production company shall receive a single 90-day certificate of  
1310 exemption from the Department of Revenue for the sales and use  
1311 tax exemptions under ss. 212.031, 212.06, and 212.08, which  
1312 certificate shall expire 90 days after issuance, with extensions  
1313 contingent upon approval of the department ~~Office of Film and~~  
1314 ~~Entertainment~~. The certificate shall be surrendered to the  
1315 Department of Revenue upon its expiration.

1316 2. Any production company may submit a new application for  
1317 a 90-day certificate of exemption upon the expiration of that  
1318 company's certificate of exemption.

1319 (4) DUTIES OF THE DEPARTMENT OF REVENUE.—

1320 (a) The Department of Revenue shall review the initial  
1321 application and notify the applicant of any omissions and  
1322 request additional information if needed. An application shall  
1323 be complete upon receipt of all requested information. The  
1324 Department of Revenue shall forward all complete applications to  
1325 the department ~~Office of Film and Entertainment~~ within 10  
1326 working days.

1327 (b) The Department of Revenue shall issue a numbered  
1328 certificate of exemption to a qualified production company  
1329 within 5 working days of the receipt of an approved application,  
1330 application renewal, or application extension from the  
1331 department ~~Office of Film and Entertainment~~.

1332 (c) The Department of Revenue may adopt ~~promulgate~~ such  
1333 rules and shall prescribe and publish such forms as may be  
1334 necessary to effectuate the purposes of this section or any of

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1335 the sales tax exemptions which are reasonably related to the  
1336 provisions of this section.

1337 (d) The Department of Revenue may ~~is authorized to~~  
1338 establish audit procedures in accordance with the provisions of  
1339 ss. 212.12, 212.13, and 213.34 which relate to the sales tax  
1340 exemption provisions of this section.

1341 (5) RELATIONSHIP OF TAX EXEMPTIONS AND INCENTIVES TO  
1342 INDUSTRY GROWTH; REPORT TO THE LEGISLATURE.—The department  
1343 ~~Office of Film and Entertainment~~ shall keep annual records from  
1344 the information provided on taxpayer applications for tax  
1345 exemption certificates ~~beginning January 1, 2001~~. These records  
1346 also must reflect a ratio of the annual amount of sales and use  
1347 tax exemptions under this section, plus the incentives awarded  
1348 pursuant to s. 288.1254 to the estimated amount of funds  
1349 expended by certified productions. In addition, the department  
1350 ~~office~~ shall maintain data showing annual growth in Florida-  
1351 based entertainment industry companies and entertainment  
1352 industry employment and wages. The employment information must  
1353 include an estimate of the full-time equivalent positions  
1354 created by each production that received tax credits pursuant to  
1355 s. 288.1254. The department ~~Office of Film and Entertainment~~  
1356 shall include this information in the annual report for the  
1357 entertainment industry financial incentive program required  
1358 under s. 288.1254(10).

1359 Section 8. Subsection (1) of section 288.92, Florida  
1360 Statutes, is amended to read:

1361 288.92 Divisions of Enterprise Florida, Inc.—

1362 (1) Enterprise Florida, Inc., may create and dissolve  
1363 divisions as necessary to carry out its mission. Each division

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1364 shall have distinct responsibilities and complementary missions.  
1365 At a minimum, Enterprise Florida, Inc., shall have divisions  
1366 related to the following areas:

- 1367 (a) International Trade and Business Development;  
1368 (b) Business Retention and Recruitment;  
1369 (c) Tourism Marketing;  
1370 (d) Minority Business Development; ~~and~~  
1371 (e) Sports Industry Development; and  
1372 (f) Film and Entertainment.

1373 Section 9. Paragraph (q) of subsection (5) of section  
1374 212.08, Florida Statutes, is amended to read:

1375 212.08 Sales, rental, use, consumption, distribution, and  
1376 storage tax; specified exemptions.—The sale at retail, the  
1377 rental, the use, the consumption, the distribution, and the  
1378 storage to be used or consumed in this state of the following  
1379 are hereby specifically exempt from the tax imposed by this  
1380 chapter.

1381 (5) EXEMPTIONS; ACCOUNT OF USE.—

1382 (q) *Entertainment industry tax credit; authorization;*  
1383 *eligibility for credits.*—The credits against the state sales tax  
1384 authorized pursuant to s. 288.1254 shall be deducted from any  
1385 sales and use tax remitted by the dealer to the department by  
1386 electronic funds transfer and may only be deducted on a sales  
1387 and use tax return initiated through electronic data  
1388 interchange. The dealer shall separately state the credit on the  
1389 electronic return. The net amount of tax due and payable must be  
1390 remitted by electronic funds transfer. If the credit for the  
1391 qualified expenditures is larger than the amount owed on the  
1392 sales and use tax return that is eligible for the credit, the



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1393 unused amount of the credit may be carried forward to a  
1394 succeeding reporting period as provided in s. 288.1254(4)(d) ~~s.~~  
1395 ~~288.1254(4)(e)~~. A dealer may only obtain a credit using the  
1396 method described in this subparagraph. A dealer is not  
1397 authorized to obtain a credit by applying for a refund.

1398 Section 10. Subsection (3) of section 220.1899, Florida  
1399 Statutes, is amended to read:

1400 220.1899 Entertainment industry tax credit.—

1401 (3) To the extent that the amount of a tax credit exceeds  
1402 the amount due on a return, the balance of the credit may be  
1403 carried forward to a succeeding taxable year pursuant to s.  
1404 288.1254(4)(d) ~~s. 288.1254(4)(e)~~.

1405 Section 11. Subsection (5) of section 477.0135, Florida  
1406 Statutes, is amended to read:

1407 477.0135 Exemptions.—

1408 (5) A license is not required of any individual providing  
1409 makeup, special effects, or cosmetology services to an actor,  
1410 stunt person, musician, extra, or other talent during a  
1411 production recognized by the Department of Economic Opportunity  
1412 ~~the Office of Film and Entertainment~~ as a qualified production  
1413 as defined in s. 288.1254(1). Such services are not required to  
1414 be performed in a licensed salon. Individuals exempt under this  
1415 subsection may not provide such services to the general public.

1416 Section 12. This act shall take effect July 1, 2014.