

Senate Bill No. 814

An act relating to the entertainment industry; amending s. 288.1251, F.S.; renaming the Office of the Film Commissioner as the Office of Film and Entertainment; renaming the Film Commissioner as the Commissioner of Film and Entertainment; authorizing receipt and expenditure of certain grants and donations; requiring such funds to be deposited in the Grants and Donations Trust Fund of the Executive Office of the Governor; amending s. 288.1252, F.S.; renaming the Florida Film Advisory Council as the Florida Film and Entertainment Advisory Council; adding a representative of Workforce Florida, Inc., as an ex officio, nonvoting member of the council; requiring the council chair to be elected from the council's appointed membership; amending ss. 212.097 and 212.098, F.S.; expanding the definition of "eligible business" under the Urban High-Crime-Area Job Tax Credit Program and the Rural Job Tax Credit Program to include certain businesses involved in motion picture production and allied services; amending ss. 14.2015, 213.053, 288.1253, and 288.1258, F.S.; conforming provisions to changes made by the act; providing an effective date.

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

Section 1. Paragraphs (h) and (i) of subsection (2) and subsection (7) of section 14.2015, Florida Statutes, are amended to read:

14.2015 Office of Tourism, Trade, and Economic Development; creation; powers and duties.—

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

(h) Provide administrative oversight for the Office of ~~the Film and Entertainment Commissioner~~, created under s. 288.1251, to develop, promote, and provide services to the state's entertainment industry and to administratively house the Florida Film and Entertainment Advisory Council created under s. 288.1252.

(i) Prepare and submit as a separate budget entity a unified budget request for tourism, trade, and economic development in accordance with chapter 216 for, and in conjunction with, Enterprise Florida, Inc., and its boards, the Florida Commission on Tourism and its direct-support organization, the Florida Black Business Investment Board, the Office of ~~the Film and Entertainment Commissioner~~, and the direct-support organization created to promote the sports industry.

(7) The Office of Tourism, Trade, and Economic Development shall develop performance measures, standards, and sanctions for each program it administers under this act and, in conjunction with the applicable entity, for each program for which it contracts with another entity under this act. The performance measures, standards, and sanctions shall be developed in consultation with the legislative appropriations committees and the appropriate substantive committees, and are subject to the review and approval process provided in s. 216.177. The approved performance measures, standards, and sanctions shall be included and made a part of the strategic plan for the Office of the Film and Entertainment Commissioner and each contract entered into for delivery of programs authorized by this act.

Section 2. Paragraph (a) of subsection (1) of section 212.097, Florida Statutes, is amended to read:

212.097 Urban High-Crime Area Job Tax Credit Program.—

(1) As used in this section, the term:

(a) “Eligible business” means any sole proprietorship, firm, partnership, or corporation that is located in a qualified county and is predominantly engaged in, or is headquarters for a business predominantly engaged in, activities usually provided for consideration by firms classified within the following standard industrial classifications: SIC 01-SIC 09 (agriculture, forestry, and fishing); SIC 20-SIC 39 (manufacturing); SIC 52-SIC 57 and SIC 59 (retail); SIC 422 (public warehousing and storage); SIC 70 (hotels and other lodging places); SIC 7391 (research and development); SIC 781 (motion picture production and allied services); SIC 7992 (public golf courses); and SIC 7996 (amusement parks). A call center or similar customer service operation that services a multistate market or international market is also an eligible business. In addition, the Office of Tourism, Trade, and Economic Development may, as part of its final budget request submitted pursuant to s. 216.023, recommend additions to or deletions from the list of standard industrial classifications used to determine an eligible business, and the Legislature may implement such recommendations. Excluded from eligible receipts are receipts from retail sales, except such receipts for SIC 52-SIC 57 and SIC 59 (retail) hotels and other lodging places classified in SIC 70, public golf courses in SIC 7992, and amusement parks in SIC 7996. For purposes of this paragraph, the term “predominantly” means that more than 50 percent of the business’s gross receipts from all sources is generated by those activities usually provided for consideration by firms in the specified standard industrial classification. The determination of whether the business is located in a qualified high-crime area and the tier ranking of that area must be based on the date of application for the credit under this section. Commonly owned and controlled entities are to be considered a single business entity.

Section 3. Paragraph (a) of subsection (1) of section 212.098, Florida Statutes, is amended to read:

212.098 Rural Job Tax Credit Program.—

(1) As used in this section, the term:

(a) “Eligible business” means any sole proprietorship, firm, partnership, or corporation that is located in a qualified county and is predominantly engaged in, or is headquarters for a business predominantly engaged in, activities usually provided for consideration by firms classified within the following standard industrial classifications: SIC 01-SIC 09 (agriculture, forestry, and fishing); SIC 20-SIC 39 (manufacturing); SIC 422 (public warehousing and storage); SIC 70 (hotels and other lodging places); SIC 7391 (research and development); SIC 781 (motion picture production and allied services); SIC 7992 (public golf courses); and SIC 7996 (amusement parks). A call center or similar customer service operation that services a multistate market or an international market is also an eligible business. In addition, the Office of Tourism, Trade, and Economic Development may, as part of its final budget request submitted pursuant to s. 216.023, recommend additions to or deletions from the list of standard industrial classifications used to determine an eligible business, and the Legislature may implement such recommendations. Excluded from eligible receipts are receipts from retail sales, except such receipts for hotels and other lodging places classified in SIC 70, public golf courses in SIC 7992, and amusement parks in SIC 7996. For purposes of this paragraph, the term “predominantly” means that more than 50 percent of the business’s gross receipts from all sources is generated by those activities usually provided for consideration by firms in the specified standard industrial classification. The determination of whether the business is located in a qualified county and the tier ranking of that county must be based on the date of application for the credit under this section. Commonly owned and controlled entities are to be considered a single business entity.

Section 4. Paragraph (t) of subsection (7) of section 213.053, Florida Statutes, is amended to read:

213.053 Confidentiality and information sharing.—

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

(t) Information relative to the tax exemptions under ss. 212.031, 212.06, and 212.08 for those persons qualified under s. 288.1258 to the Office of ~~the Film and Entertainment Commissioner~~. The Department of Revenue shall provide the Office of ~~the Film and Entertainment Commissioner~~ with information in the aggregate.

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

Section 5. Section 288.1251, Florida Statutes, is amended to read:

288.1251 Promotion and development of entertainment industry; Office of the Film and Entertainment Commissioner; creation; purpose; powers and duties.—

(1) CREATION.—

(a) There is hereby created within the Office of Tourism, Trade, and Economic Development the Office of the Film and Entertainment Commissioner for the purpose of developing, marketing, promoting, and providing services to the state's entertainment industry.

(b) The Office of Tourism, Trade, and Economic Development shall conduct a national search for a qualified person to fill the position of Film Commissioner of Film and Entertainment, and the Executive Director of the Office of Tourism, Trade, and Economic Development shall hire the Film Commissioner of Film and Entertainment. Guidelines for selection of the Film Commissioner of Film and Entertainment shall include, but not be limited to, the Film Commissioner of Film and Entertainment having the following:

1. A working knowledge of the equipment, personnel, financial, and day-to-day production operations of the industries to be served by the office;
2. Marketing and promotion experience related to the industries to be served by the office;
3. Experience working with a variety of individuals representing large and small entertainment-related businesses, industry associations, local community entertainment industry liaisons, and labor organizations; and
4. Experience working with a variety of state and local governmental agencies.

(2) POWERS AND DUTIES.—

(a) The Office of the Film and Entertainment Commissioner, in performance of its duties, shall:

1. In consultation with the Florida Film and Entertainment Advisory Council, develop and implement a 5-year strategic plan to guide the activities of the Film and Entertainment Commissioner in the areas of entertainment industry development, marketing, promotion, liaison services, field office administration, and information. The plan, to be developed by no later than June 30, 2000, shall:

- a. Be annual in construction and ongoing in nature.
- b. Include recommendations relating to the organizational structure of the office.
- c. Include an annual budget projection for the office for each year of the plan.
- d. Include an operational model for the office to use in implementing programs for rural and urban areas designed to:

- (I) Develop and promote the state's entertainment industry.
- (II) Have the office serve as a liaison between the entertainment industry and other state and local governmental agencies, local film commissions, and labor organizations.
- (III) Gather statistical information related to the state's entertainment industry.
- (IV) Provide information and service to businesses, communities, organizations, and individuals engaged in entertainment industry activities.
- (V) Administer field offices outside the state and coordinate with regional offices maintained by counties and regions of the state, as described in sub-sub-subparagraph (II), as necessary.
 - e. Include performance standards and measurable outcomes for the programs to be implemented by the office.
 - f. Include an assessment of, and make recommendations on, the feasibility of creating an alternative public-private partnership for the purpose of contracting with such a partnership for the administration of the state's entertainment industry promotion, development, marketing, and service programs.
2. Develop, market, and facilitate a smooth working relationship between state agencies and local governments in cooperation with local film commission offices for out-of-state and indigenous entertainment industry production entities.
3. Implement a structured methodology prescribed for coordinating activities of local offices with each other and the commissioner's office.
4. Represent the state's indigenous entertainment industry to key decisionmakers within the national and international entertainment industry, and to state and local officials.
5. Prepare an inventory and analysis of the state's entertainment industry, including, but not limited to, information on crew, related businesses, support services, job creation, talent, and economic impact and coordinate with local offices to develop an information tool for common use.
6. Represent key decisionmakers within the national and international entertainment industry to the indigenous entertainment industry and to state and local officials.
7. Serve as liaison between entertainment industry producers and labor organizations.
8. Identify, solicit, and recruit entertainment production opportunities for the state.
9. Assist rural communities and other small communities in the state in developing the expertise and capacity necessary for such communities to

develop, market, promote, and provide services to the state's entertainment industry.

(b) The Office of the Film and Entertainment ~~Commissioner~~, in the performance of its duties, may:

1. Conduct or contract for specific promotion and marketing functions, including, but not limited to, production of a statewide directory, production and maintenance of an Internet web site, establishment and maintenance of a toll-free number, organization of trade show participation, and appropriate cooperative marketing opportunities.

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

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

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

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

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

7. Request or accept any grant, payment, or gift of funds or property made by this state, the United States, or any department or agency thereof, or by any individual, firm, corporation, municipality, county, or organization, for any or all of the purposes of the Office of Film and Entertainment's 5-year strategic plan or those permitted activities enumerated in this paragraph. Such funds shall be deposited in the Grants and Donations Trust Fund of the Executive Office of the Governor for use by the Office of Film and Entertainment in carrying out its responsibilities and duties as delineated in law. The office may expend such funds in accordance with the terms and conditions of any such grant, payment, or gift in the pursuit of its administration or in support of fulfilling its duties and responsibilities. The office shall separately account for the public funds and the private funds deposited into the trust fund.

Section 6. Section 288.1252, Florida Statutes, is amended to read:

288.1252 Florida Film and Entertainment Advisory Council; creation; purpose; membership; powers and duties.—

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

(2) PURPOSE.—The purpose of the council shall be to serve as an advisory body to the Office of Tourism, Trade, and Economic Development and to the Office of the Film and Entertainment Commissioner to provide these offices with industry insight and expertise related to developing, marketing, promoting, and providing service to the state's entertainment industry.

(3) MEMBERSHIP.—

(a) The council shall consist of 17 members, seven to be appointed by the Governor, five to be appointed by the President of the Senate, and five to be appointed by the Speaker of the House of Representatives, with the initial appointments being made no later than August 1, 1999.

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

(c) Council members shall serve for 4-year terms, except that the initial terms shall be staggered:

1. The Governor shall appoint one member for a 1-year term, two members for 2-year terms, two members for 3-year terms, and two members for 4-year terms.

2. The President of the Senate shall appoint one member for a 1-year term, one member for a 2-year term, two members for 3-year terms, and one member for a 4-year term.

3. The Speaker of the House of Representatives shall appoint one member for a 1-year term, one member for a 2-year term, two members for 3-year terms, and one member for a 4-year term.

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

(e) The ~~Film~~ Commissioner of Film and Entertainment, a representative of Enterprise Florida, Inc., a representative of Workforce Florida, Inc., and

a representative of the Florida Tourism Industry Marketing Corporation shall serve as ex officio, nonvoting members of the council, and shall be in addition to the 17 appointed members of the council.

(f) Absence from three consecutive meetings shall result in automatic removal from the council.

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

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

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

(4) MEETINGS; ORGANIZATION.—

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

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

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

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

(5) POWERS AND DUTIES.—The Florida Film and Entertainment Advisory Council shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, including, but not limited to, the power to:

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

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

(c) Review the Commissioner of Film and Entertainment's ~~Commissioner's~~ administration of the programs related to the strategic plan, and advise the commissioner on the programs and any changes that might be made to better meet the strategic plan.

(d) Consider and study the needs of the entertainment industry for the purpose of advising the commissioner and the Office of Tourism, Trade, and Economic Development.

(e) Identify and make recommendations on state agency and local government actions that may have an impact on the entertainment industry or that may appear to industry representatives as an official state or local action affecting production in the state.

(f) Consider all matters submitted to it by the commissioner and the Office of Tourism, Trade, and Economic Development.

(g) Advise and consult with the commissioner and the Office of Tourism, Trade, and Economic Development, at their request or upon its own initiative, regarding the promulgation, administration, and enforcement of all laws and rules relating to the entertainment industry.

(h) Suggest policies and practices for the conduct of business by the Office of ~~the Film and Entertainment Commissioner~~ or by the Office of Tourism, Trade, and Economic Development that will improve internal operations affecting the entertainment industry and will enhance the economic development initiatives of the state for the industry.

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

Section 7. Section 288.1253, Florida Statutes, is amended to read:

288.1253 Travel and entertainment expenses.—

(1) As used in this section:

(a) “Business client” means any person, other than a state official or state employee, who receives the services of representatives of the Office of ~~the Film and Entertainment Commissioner~~ in connection with the performance of its statutory duties, including persons or representatives of entertainment industry companies considering location, relocation, or expansion of an entertainment industry business within the state.

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

(c) “Guest” means a person, other than a state official or state employee, authorized by the Office of Tourism, Trade, and Economic Development to receive the hospitality of the Office of ~~the Film and Entertainment Commissioner~~ in connection with the performance of its statutory duties.

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

(2) Notwithstanding the provisions of s. 112.061, the Office of Tourism, Trade, and Economic Development shall adopt rules by which it may make

expenditures by advancement or reimbursement, or a combination thereof, to:

(a) The Governor, the Lieutenant Governor, security staff of the Governor or Lieutenant Governor, the ~~Film~~ Commissioner of Film and Entertainment, or staff of the Office of the ~~Film and Entertainment~~ Commissioner for travel expenses or entertainment expenses incurred by such individuals solely and exclusively in connection with the performance of the statutory duties of the Office of the ~~Film and Entertainment~~ Commissioner.

(b) The Governor, the Lieutenant Governor, security staff of the Governor or Lieutenant Governor, the ~~Film~~ Commissioner of Film and Entertainment, or staff of the Office of the ~~Film and Entertainment~~ Commissioner for travel expenses or entertainment expenses incurred by such individuals on behalf of guests, business clients, or authorized persons as defined in s. 112.061(2)(e) solely and exclusively in connection with the performance of the statutory duties of the Office of the ~~Film and Entertainment~~ Commissioner.

(c) Third-party vendors for the travel or entertainment expenses of guests, business clients, or authorized persons as defined in s. 112.061(2)(e) incurred solely and exclusively while such persons are participating in activities or events carried out by the Office of the ~~Film and Entertainment~~ Commissioner in connection with that office's statutory duties.

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

(3) The Office of Tourism, Trade, and Economic Development shall prepare an annual report of the expenditures of the Office of the ~~Film and Entertainment~~ Commissioner and provide such report to the Legislature no later than December 30 of each year for the expenditures of the previous fiscal year. The report shall consist of a summary of all travel, entertainment, and incidental expenses incurred within the United States and all travel, entertainment, and incidental expenses incurred outside the United States, as well as a summary of all successful projects that developed from such travel.

(4) The Office of the ~~Film and Entertainment~~ Commissioner and its employees and representatives, when authorized, may accept and use compli-

mentary travel, accommodations, meeting space, meals, equipment, transportation, and any other goods or services necessary for or beneficial to the performance of the office's duties and purposes, so long as such acceptance or use is not in conflict with part III of chapter 112. The Office of Tourism, Trade, and Economic Development shall, by rule, develop internal controls to ensure that such goods or services accepted or used pursuant to this subsection are limited to those that will assist solely and exclusively in the furtherance of the office's goals and are in compliance with part III of chapter 112.

(5) Any claim submitted under this section shall not be required to be sworn to before a notary public or other officer authorized to administer oaths, but any claim authorized or required to be made under any provision of this section shall contain a statement that the expenses were actually incurred as necessary travel or entertainment expenses in the performance of official duties of the Office of ~~the Film and Entertainment Commissioner~~ and shall be verified by written declaration that it is true and correct as to every material matter. Any person who willfully makes and subscribes to any claim which he or she does not believe to be true and correct as to every material matter or who willfully aids or assists in, procures, or counsels or advises with respect to, the preparation or presentation of a claim pursuant to this section that is fraudulent or false as to any material matter, whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present the claim, commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. Whoever receives an advancement or reimbursement by means of a false claim is civilly liable, in the amount of the overpayment, for the reimbursement of the public fund from which the claim was paid.

Section 8. Section 288.1258, Florida Statutes, is amended to read:

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

(1) PRODUCTION COMPANIES AUTHORIZED TO APPLY.—

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

(b) For the purposes of this section, "qualified production company" means any production company that has submitted a properly completed application to the Department of Revenue and that is subsequently qualified by the Office of ~~the Film and Entertainment Commissioner~~.

(2) APPLICATION PROCEDURE.—

(a) The Department of Revenue will review all submitted applications for the required information. Within 10 working days after the receipt of a properly completed application the Department of Revenue will forward the completed application to the Office of ~~the Film and Entertainment Commissioner~~ Commissioner for approval.

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

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

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

(c) The Office of ~~the Film and Entertainment Commissioner~~ shall develop, with the cooperation of the Department of Revenue and local government entertainment industry promotion agencies, a standardized application form for use in approving qualified production companies.

1. The application form shall include, but not be limited to, production-related information on employment, proposed budgets, planned purchases of items exempted from sales and use taxes under ss. 212.031, 212.06, and 212.08, a signed affirmation from the applicant that any items purchased for which the applicant is seeking a tax exemption are intended for use exclusively as an integral part of entertainment industry preproduction, production, or postproduction activities engaged in primarily in this state, and a signed affirmation from the Office of ~~the Film and Entertainment Commissioner~~ Commissioner that the information on the application form has been verified and is correct. In lieu of information on projected employment, proposed budgets, or planned purchases of exempted items, a production company seeking a 1-year certificate of exemption may submit summary historical data on employment, production budgets, and purchases of exempted items related to production activities in this state. Any information gathered from production companies for the purposes of this section shall be considered confidential taxpayer information and shall be disclosed only as provided in s. 213.053.

2. The application form may be distributed to applicants by the Office of ~~the Film and Entertainment Commissioner~~ or local film commissions.

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

(e) In the event that the Department of Revenue determines that a production company no longer qualifies for a certificate of exemption, or has used a certificate of exemption for purposes other than those authorized by this section and chapter 212, the Department of Revenue shall revoke the certificate of exemption of that production company, and any sales or use taxes exempted on items purchased or leased by the production company during the time such company did not qualify for a certificate of exemption or improperly used a certificate of exemption shall become immediately due to the Department of Revenue, along with interest and penalty as provided by s. 212.12. In addition to the other penalties imposed by law, any person who knowingly and willfully falsifies an application, or uses a certificate of exemption for purposes other than those authorized by this section and chapter 212, commits a felony of the third degree, punishable as provided in ss. 775.082, 775.083, and 775.084.

(3) CATEGORIES.—

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

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

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

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

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

(4) DUTIES OF THE DEPARTMENT OF REVENUE.—

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

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

(c) The Department of Revenue may promulgate such rules and shall prescribe and publish such forms as may be necessary to effectuate the purposes of this section or any of the sales tax exemptions which are reasonably related to the provisions of this section.

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

(5) RELATIONSHIP OF TAX EXEMPTIONS TO INDUSTRY GROWTH; REPORT TO THE LEGISLATURE.—The Office of the Film and Entertainment Commissioner shall keep annual records from the information provided on taxpayer applications for tax exemption certificates beginning January 1, 2001. These records shall reflect a percentage comparison of the annual amount of funds exempted to the estimated amount of funds expended in relation to entertainment industry products. In addition, the office shall maintain data showing annual growth in Florida-based entertainment industry companies and entertainment industry employment and wages. The Office of the Film and Entertainment Commissioner shall report this information to the Legislature by no later than December 1 of each year.

Section 9. This act shall take effect July 1, 2001.

Approved by the Governor May 31, 2001.

Filed in Office Secretary of State May 31, 2001.