



## DEFINITIONS

The following statutory definitions apply to Florida's Entertainment Industry Financial Incentive program:

### **CERTIFIED PRODUCTION**

A qualified production that has tax credits allocated to it by the Office of Tourism, Trade, and Economic Development (OTTED) based on the production's estimated qualified expenditures.

### **CROSS-OVER PROJECT**

A project that was certified and started principal photography/project start date in one fiscal year and continues and submits an application for continuing the same production for the subsequent fiscal year.

### **DIGITAL MEDIA PRODUCTION**

A production of interactive entertainment that is produced for distribution in commercial or educational markets. The term includes a video game or production intended for Internet or wireless distribution. The term does not include a production deemed by the Office of Film and Entertainment (OFE) to contain obscene content as defined in s. 847.001 (10).

### **FAMILY-FRIENDLY PRODUCTION**

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

### **FLORIDA QUALIFIED VENDOR**

A vendor or supplier in this state that is registered with the Department of State or the Department of Revenue, has a physical location in this state, and employs one or more legal residents of this state. When services are provided by the vendor or supplier include personal services or labor, only personal services or labor provided by residents of this state, evidenced by the required documentation of residency in this state, qualify.

## **FLORIDA RESIDENT**

Any person who has established a domicile in the State of Florida and provides a complete signed Declaration of Florida Residency Form and a valid Florida driver's license, Florida voter registration card or other acceptable information showing intent on maintaining a permanent residence in Florida.

## **FRAUD**

Per FS 288.1254: "Any applicant that submits information under this section that includes fraudulent information is liable for reimbursement of the reasonable costs and fees associated with the review, processing, investigation, and prosecution of the fraudulent claim. An applicant that obtains an incentive payment under this section through a claim that is fraudulent is liable for reimbursement of the incentive payment plus a penalty in an amount double the incentive payment. The penalty is in addition to any criminal penalty to which the applicant is liable for the same acts. The applicant is also liable for costs and fees incurred by the state in investigating and prosecuting the fraudulent claim."

## **HIGH-IMPACT TELEVISION SERIES**

A production created to run multiple production seasons having an estimated order of at least seven episodes per season and qualified expenditures of at least \$625,000 per episode.

## **NET PRODUCTION EXPENDITURES**

The actual amount of money a qualified production spent for equipment or other tangible personal property, after subtracting any consideration received for reselling or transferring the item after the qualified production ends, if applicable.

## **OFE**

The Governor's Office of Film and Entertainment – a unit of OTTED.

## **OFF-SEASON CERTIFIED PRODUCTION**

A feature film, independent film, television series or pilot, which films 75% or more of its principal photography days from June 1 through November 30, is eligible for an additional 5% tax credit on actual qualified expenditures.

## **OTTED**

The Office of Tourism, Trade and Economic Development – an agency within the Executive Office of the Governor.

## **PRINCIPAL PHOTOGRAPHY**

The filming of major or significant components of the qualified production which involve lead actors.

## **PRODUCTION**

A theatrical or direct-to-video motion picture; a made-for-television motion picture; visual effects or digital animation sequences produced in conjunction with a motion picture; a commercial; a music video; an industrial or educational film; an infomercial; a documentary film; a television pilot program; a presentation for a television pilot program; a television series, including, but not limited to, a drama, a reality show, a comedy, a soap opera, a telenovela, a game show, an awards show, or a miniseries production; or a digital media project by the entertainment industry. One season of a television series is considered one production.

The term does not include a weather or market program; a sporting event; a sports show; a gala; a production that solicits funds; a home shopping program; a political program; a political documentary; political advertising; a gambling-related project or production; a concert production; or a local, regional, or Internet-distributed-only news show, current-events show, pornographic production, or current-affairs show.

## **PRODUCTION EXPENDITURES**

The costs of tangible and intangible property used for, and services performed primarily and customarily in the production, including pre-production and post-production, but excluding costs for development, marketing, and distribution. Production expenditures include, but are not limited to:

- A. Wages, salaries, or other compensation paid to legal residents of this state, including amounts paid through payroll service companies, for technical and production crews, directors, producers, and performers
- B. **Net** expenditures for sound stages, backlots, production editing, digital effects, sound recordings, sets, and set construction
- C. **Net** expenditures for rental equipment, including, but not limited to, cameras and grip or electrical equipment
- D. Up to \$300,000 of the costs of newly purchased computer software and hardware unique to the project, including servers, data processing, and visualization technologies, which are located in and used exclusively in the state for the production of digital media
- E. Expenditures for meals, travel, and accommodations

## **QUALIFIED EXPENDITURES**

Production expenditures incurred in this state by a qualified production for:

- A. Goods purchased or leased from, or services, including, but not limited to, insurance costs and bonding, payroll services, and legal fees, which are provided by, a vendor or supplier in this state that is registered with the Department of State or the Department of Revenue, has a physical location in this state, and employs one or more legal residents of this state. When services are provided by the vendor or supplier include personal services or labor, only personal services or labor provided by residents of this state, evidenced by the required documentation of residency in this state, qualify.

B. Payments to legal residents of this state in the form of salary, wages, or other compensation up to a maximum of \$400,000 per resident. A completed declaration of residency in this state must accompany the documentation submitted to the OFE for reimbursement.

C. For a qualified production involving an event, such as an awards show, the term does not include expenditures solely associated with the event itself and not directly required by the production.

D. The term does not include expenditures incurred before certification, with the exception of those incurred for a commercial, a music video, or the pickup of additional episodes of a high-impact television series within a single season.

E. Under no circumstances may the qualified production include in the calculation for qualified expenditures the original purchase price for equipment or other tangible property that is later sold or transferred by the qualified production for consideration. In such cases, the qualified expenditure is the net of the original purchase price minus the consideration received upon sale or transfer. *(Also see definition of production expenditures)*

### **QUALIFIED PRODUCTION**

A production in this state meeting the requirements of the statute, the minimum qualified expenditures, and the requirements of its appropriate queue. The term does not include a production:

In which less than 50% of the positions that make up its production cast and below-the-line production crew, or, in the case of digital media projects, less than 75% of the positions are filled by residents in this state, whose residency is demonstrated by a valid Florida driver's license or other state-issued identification confirming residency, or students enrolled full-time in a film and entertainment related course of study at an institution of higher education in this state; or:

That is deemed by the OFE to contain obscene content as defined in s. 847.001(10).

### **QUALIFIED PRODUCTION COMPANY**

A corporation, limited liability company, partnership or other legal entity engaged in one or more qualified productions in this state