



DEFINITIONS

Revised 7/1/11

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

ACT

Section 28 of chapter 2010-147, Laws of Florida, codified at section 288.154, Florida Statutes (formerly known as the Don Davis Entertainment Industry Economic Development Act, chapter 2007-125, Laws of Florida).

AGREEMENT

The standard "Assurance of Compliance Agreement" form DSBD 1254-1 (12/10).

APPLICANT

A Production company that seeks qualification and certification under the Act for allocation and award of tax credits.

APPLICATION

The standard "Florida Entertainment Industry Financial Incentive Application" form DSBD 1254-2 (12/10).

AWARD LETTER

The standard "Florida Entertainment Industry Financial Incentive Program Award Decision Letter" form DSBD 1254-3 (12/10), signed by DSBD and provided to the Certified Production.

CERTIFICATION LETTER

The standard "Florida Entertainment Industry Financial Incentive Program Certification Decision Letter" form DSBD 1254-4 (12/10), signed by DSBD and provided to the Certified Production.

CERTIFIED PRODUCTION

A qualified production that has tax credits allocated to it by DSBD based on the production's estimated qualified expenditures.

COMMERCIAL AND MUSIC VIDEO QUEUE

The queue of Certified Productions, other than those eligible for the General Production Queue or the Independent and Emerging Media Production Queue.

DECLARATION OF FLORIDA RESIDENCY FORM

The standard "Florida Entertainment Industry Financial Incentive Program Declaration of Florida Residency" form DSBD 1254-5 (12/10).

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 that contains obscene content as defined in s. 847.001 (10).

DSBD

The Division of Strategic Business Development – a unit within the Department of Economic Opportunity, whose address is The Capitol, 400 S. Monroe Street, Tallahassee, Florida, 32399.

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 WORKER

A person who is either (a) a legal resident of the State, as demonstrated by a valid Florida driver's license or other State-issued identification accompanied by a completed and signed Declaration of Florida Residency Form, or (b) a student enrolled full-time in a film-and-entertainment-related course of study at an institution of higher education in the State.

FLORIDA QUALIFIED VENDOR

A vendor or supplier in the State that is registered with the Department of State or the Department of Revenue, has a physical location in the State, and employs one or more Florida Workers (when provided services include personal services or labor, only personal services or labor provided by Florida Workers will qualify).

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.”

GENERAL PRODUCTION QUEUE

The queue of Certified Productions, other than those eligible for the Commercial and Music Video Queue or the Independent and Emerging Media Production Queue.

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.

INDEPENDENT AND EMERGING MEDIA QUEUE

The queue of Certified Productions, other than those eligible for the General Production Queue or the Commercial and Music Video Queue.

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 Florida Office of Film and Entertainment – a unit of DSBD, whose address is The Capitol, 400 S. Monroe Street, Tallahassee, Florida, 32399.

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.

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

PROGRAM

The Entertainment Industry Financial Incentive Program established by the Act.

QUALIFICATION AND RECOMMENDATION MEMO

The standard "Florida Entertainment Industry Financial Incentive Program Qualification and Recommendation" form DSBD 1254-6 (12/10), submitted to DSBD by the OFE Director (Film Commissioner).

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. This does not include re-billed goods or services provided by an in-state company from out-of-state vendors or suppliers. 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. *(A/so 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:

A production that contains 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.

QUALIFIED DIGITAL MEDIA PRODUCTION FACILITY

A building or series of buildings and their improvements in which data processing, visualization, and sound synchronization technologies are regularly applied for the production of qualified digital media projects or the digital animation components of qualified productions.

QUALIFIED PRODUCTION FACILITY

A building or complex of buildings and their improvements and associated backlot facilities in which regular filming activity for film or television has occurred for a period of no less than one year and which contain at least one sound stage of at least 7,800 square feet.

REASONABLE SCHEDULE

The Recipient maintains its production schedule as provided to OFE, which includes beginning principal photography or the production project in the State no more than forty-five (45) calendar days before or after the principal photography or project start date indicated in the Application.

RECIPIENT

An Applicant that, after a certification process, DSBD certifies to receive Program credits and that enters into an Agreement with OFE.

REQUEST FOR CONFIDENTIALITY FORM

The standard "Florida Entertainment Industry Financial Incentive Program Request for Confidentiality" form DSBD 1254-7 (12/10).

SUMMARY STATEMENT

The standard "Florida Entertainment Industry Financial Incentive Program Summary Statement" form DSBD 1254-8 (12/10).

STATE

The State of Florida, either as a political entity or in the sense of geographical boundaries, as made clear from the context.

TAX CREDIT ELECTION FORM

The standard "Florida Entertainment Industry Financial Incentive Program Tax Credit Election" form DSBD 1254-9 (12/10).

TAX CREDIT TRANSFER FORM

Tax Credit Transfer Form" means the standard "Florida Entertainment Industry Financial Incentive Program Tax Credit Transfer" form DSBD 1254-10 (12/10).

UNDERUTILIZED REGION

A region with a regional tax credit ratio applicable to that fiscal year that is lower than its regional population ratio applicable to that fiscal year. For the county breakdown for the five regions with the designations based on the statutorily defined annual calculation click [here](#).