

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 HOUSE BILL 3368

By: Jett

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5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; creating the
8 Oklahoma Film Incentive Act; allowing a sales tax
9 credit for certain movie theaters that exhibit
10 Oklahoma-produced films; stating amount of the
11 credit; providing for an offset of certain sales tax
12 liability; allowing unused credit to be carried
13 forward; clarifying the obligation of the movie
14 theater to return sales taxes to certain persons;
15 directing the Tax Commission to promulgate rules;
16 authorizing the Tax Commission to develop forms,
17 instructions and obtain certain information;
18 requiring the Tax Commission to demand repayment of
19 excess credit; providing termination date of the
20 sales tax credit; limiting the sales tax credit;
21 defining certain terms; providing for codification;
22 providing for noncodification; providing an effective
23 date; and declaring an emergency.
24

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law not to be
codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Oklahoma Film
Incentive Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2357.40A of Title 68, unless
3 there is created a duplication in numbering, reads as follows:

4 A. For the tax year beginning after December 31, 2010, there
5 shall be allowed a credit against the state sales tax imposed
6 pursuant to Section 1354 of Title 68 of the Oklahoma Statutes for a
7 qualified movie theater which exhibits a film as defined in Section
8 3623 of Title 68 of the Oklahoma Statutes which was produced in
9 Oklahoma.

10 B. The amount of the credit allowed pursuant to this section
11 shall be _____ percent (____%) of the sales tax collected by the
12 movie theater pursuant to Section 1354 of Title 68 of the Oklahoma
13 Statutes on tickets for admission to or voluntary contributions made
14 to the qualified movie theater for admissions during the regular
15 hours of operation of the theater and during which time the
16 Oklahoma-produced film was exhibited.

17 C. The sales tax credit authorized by this section may be used
18 to offset all or a portion of the reported state sales tax liability
19 of the qualified movie theater for the sales tax reporting period
20 during which the Oklahoma-produced film was exhibited.

21 D. The amount of any unused credit allowed pursuant to this
22 section not used during the reporting period shall carry forward to
23 the next reporting period and may be used to offset all or a portion
24

1 of the sales tax liability of the qualified movie theater for all
2 sales tax reporting periods following the earning of the credit.

3 E. The qualified movie theater shall have no obligation to
4 refund or otherwise return any amount of the credit allowed pursuant
5 to this section to the person from whom the sales tax was collected.

6 F. The Tax Commission shall promulgate rules as are necessary
7 for the proper administration of the provisions of this section.
8 The Tax Commission may also develop forms and instructions as
9 necessary for a qualified movie theater to claim the sales tax
10 credit provided for in this section. The Tax Commission shall have
11 the authority to obtain any information necessary from a qualified
12 movie theater to verify that the theater has received the proper
13 amounts of tax credit as authorized pursuant to this section. The
14 Tax Commission shall demand the repayment of any credits taken in
15 excess of the credit allowed pursuant to this section.

16 G. No sales tax credit authorized by this section shall be
17 granted on or after January 1, 2015.

18 H. The sales tax credit authorized by this section shall not be
19 used to reduce the sales tax liability of the qualified movie
20 theater to less than zero (0).

21 I. As used in this section:

22 1. "Oklahoma-produced film" means any film made by a production
23 company which qualifies for the Oklahoma Film Enhancement Rebate
24 Program created pursuant to Section 3624 of Title 68 of the Oklahoma

1 Statutes or which qualifies for the sales tax exemption provided for
2 in paragraph 23 of Section 1357 of Title 68 of the Oklahoma
3 Statutes; and

4 2. "Qualified movie theater" means a facility located in the
5 state that is primarily devoted to the exhibition of films.

6 SECTION 3. This act shall become effective July 1, 2010.

7 SECTION 4. It being immediately necessary for the preservation
8 of the public peace, health and safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

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