

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 330

By: Jolley, Fields, Mazzei,  
Johnson (Constance) and  
Ford of the Senate

4 and

5 Sears of the House

6  
7  
8 [ tax rebates - modifying rebate percentage -  
9 modifying cap on rebate amounts - modifying  
10 termination date - effective date -  
11 emergency ]

12 NOTE: Emergency failed

13 AUTHOR: Add the following House Coauthor: Pittman

14 AUTHOR: Remove the following Senate Coauthor: Mazzei

15 AMENDMENT NO. 1. Strike the stricken title, enacting clause and  
16 entire bill and insert

17 "[ revenue and taxation - Oklahoma Film Enhancement  
18 Rebate Program - fiscal year limitations ]

19  
20  
21 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

22 SECTION 1. AMENDATORY 68 O.S. 2011, Section 3624, is  
23 amended to read as follows:

24

1 Section 3624. A. There is hereby created the Oklahoma Film  
2 Enhancement Rebate Program. A rebate ~~in the amount of up to~~  
3 ~~seventeen percent (17%)~~ which is a percentage of documented  
4 expenditures made in Oklahoma directly attributable to the  
5 production of a film, television production, or television  
6 commercial, as defined in Section 3623 of this title, in this state,  
7 may be paid to the production company responsible for the  
8 production. ~~Provided, for~~ For documented expenditures made after  
9 July 1, 2009, and before the effective date of this act, the rebate  
10 amount shall be thirty-five percent (35%) and for such expenditures  
11 made on or after the effective date of this act, the rebate amount  
12 shall be twenty-five percent (25%), except as provided in subsection  
13 B of this section.

14 B. The amount of rebate paid to the production company as  
15 provided for in subsection A of this section shall be increased by  
16 an additional two percent (2%) of documented expenditures if a  
17 production company spends at least Twenty Thousand Dollars  
18 (\$20,000.00) for the use of music created by an Oklahoma resident  
19 that is recorded in Oklahoma or for the cost of recording songs or  
20 music in Oklahoma for use in the production.

21 C. The rebate program shall be administered by the Office of  
22 the Oklahoma Film and Music Commission and the Oklahoma Tax  
23 Commission, as provided in the Compete with Canada Film Act.

24 D. To be eligible for a rebate payment:

1           1. The production company responsible for a film, television  
2 production, or television commercial, as defined in Section 3623 of  
3 this title, made in this state shall submit documentation to the  
4 Office of the Oklahoma Film and Music Commission of the amount of  
5 wages paid for employment in this state to residents of this state  
6 directly relating to the production and the amount of other  
7 production costs incurred in this state directly relating to the  
8 production;

9           2. The production company has filed or will file any Oklahoma  
10 tax return or tax document which may be required by law;

11           3. Except major studio productions, the production company  
12 shall provide the name of the completion guarantor and a copy of the  
13 bond guaranteeing the completion of the project or if a film has not  
14 secured a completion bond, the production company shall provide  
15 evidence that all Oklahoma crew and local vendors have been paid and  
16 there are no liens against the production company pending in the  
17 state;

18           4. The minimum budget for the film shall be Fifty Thousand  
19 Dollars (\$50,000.00) of which not less than Twenty-five Thousand  
20 Dollars (\$25,000.00) shall be expended in this state;

21           5. The production company shall provide evidence of financing  
22 for production prior to the commencement of principal photography;  
23 and  
24

1           6. The production company shall provide evidence of a  
2 certificate of general liability insurance with a minimum coverage  
3 of One Million Dollars (\$1,000,000.00) and a workers' compensation  
4 policy pursuant to state law, which shall include coverage of  
5 employer's liability.

6           E. A production company shall not be eligible to receive both a  
7 rebate payment pursuant to the provisions of this act and an  
8 exemption from sales taxes pursuant to the provisions of paragraph  
9 21 of Section 1357 of this title. If a production company has  
10 received such an exemption from sales taxes and submits a claim for  
11 rebate pursuant to the provisions of the Compete with Canada Film  
12 Act, the company shall be required to fully repay the amount of the  
13 exemption to the Tax Commission. A claim for a rebate shall include  
14 documentation from the Tax Commission that repayment has been made  
15 as required herein or shall include an affidavit from the production  
16 company that the company has not received an exemption from sales  
17 taxes pursuant to the provisions of paragraph 21 of Section 1357 of  
18 this title.

19           F. The Office shall approve or disapprove all claims for rebate  
20 and shall notify the Tax Commission. The Tax Commission shall, upon  
21 notification of approval from the Office of the Film and Music  
22 Commission, issue payment for all approved claims from funds in the  
23 Oklahoma Film Enhancement Rebate Program Revolving Fund created in  
24 Section 3625 of this title. Provided, no claims for rebate for

1 expenditures made on or after July 1, 2009, shall be paid prior to  
2 July 1, 2010. The amount of payments in any single fiscal year  
3 shall not exceed Five Million Dollars (\$5,000,000.00). For fiscal  
4 years beginning on or after July 1, 2013, the amount of payments in  
5 any single fiscal year shall not exceed an additional Five Million  
6 Dollars (\$5,000,000.00) or so much of that amount as is available  
7 subject to available funding and in no case greater than a total of  
8 Ten Million Dollars (\$10,000,000.00) per fiscal year. If the amount  
9 of approved claims exceeds the amount specified in this subsection  
10 in a fiscal year, payments shall be made in the order in which the  
11 claims are approved by the Office. If an approved claim is not paid  
12 in whole or in part, the unpaid claim or unpaid portion may be paid  
13 in the following fiscal year subject to the limitations specified in  
14 this subsection.

15 SECTION 2. AMENDATORY 68 O.S. 2011, Section 3626, is  
16 amended to read as follows:

17 Section 3626. The provisions of the Compete with Canada Film  
18 Act shall be terminated effective July 1, ~~2014~~ 2024, and no claim  
19 shall be paid thereafter.”  
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1 ENGROSSED SENATE  
BILL NO. 330

By: Jolley, Fields, Mazzei,  
Johnson (Constance) and  
Ford of the Senate

and

Sears of the House

[ tax rebates - modifying rebate percentage -  
modifying cap on rebate amounts - modifying  
termination date - effective date -  
emergency ]

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

12 SECTION 3. AMENDATORY 68 O.S. 2011, Section 3624, is  
13 amended to read as follows:

14 Section 3624. A. There is hereby created the Oklahoma Film  
15 Enhancement Rebate Program. A rebate ~~in the amount of up to~~  
16 ~~seventeen percent (17%)~~ which is a percentage of documented  
17 expenditures made in Oklahoma directly attributable to the  
18 production of a film, television production, or television  
19 commercial, as defined in Section 3623 of this title, in this state,  
20 may be paid to the production company responsible for the  
21 production. ~~Provided, for~~ For documented expenditures made after  
22 July 1, 2009, and before July 1, 2013, the rebate amount shall be  
23 thirty-five percent (35%) and for such expenditures made on or after  
24

1 July 1, 2013, the rebate amount shall be twenty-five percent (25%),  
2 except as provided in subsection B of this section.

3 B. The amount of rebate paid to the production company as  
4 provided for in subsection A of this section shall be increased by  
5 an additional two percent (2%) of documented expenditures if a  
6 production company spends at least Twenty Thousand Dollars  
7 (\$20,000.00) for the use of music created by an Oklahoma resident  
8 that is recorded in Oklahoma or for the cost of recording songs or  
9 music in Oklahoma for use in the production.

10 C. The rebate program shall be administered by the Office of  
11 the Oklahoma Film and Music Commission and the Oklahoma Tax  
12 Commission, as provided in the Compete with Canada Film Act.

13 D. To be eligible for a rebate payment:

14 1. The production company responsible for a film, television  
15 production, or television commercial, as defined in Section 3623 of  
16 this title, made in this state shall submit documentation to the  
17 Office of the Oklahoma Film and Music Commission of the amount of  
18 wages paid for employment in this state to residents of this state  
19 directly relating to the production and the amount of other  
20 production costs incurred in this state directly relating to the  
21 production;

22 2. The production company has filed or will file any Oklahoma  
23 tax return or tax document which may be required by law;

24

1           3. Except major studio productions, the production company  
2 shall provide the name of the completion guarantor and a copy of the  
3 bond guaranteeing the completion of the project or if a film has not  
4 secured a completion bond, the production company shall provide  
5 evidence that all Oklahoma crew and local vendors have been paid and  
6 there are no liens against the production company pending in the  
7 state;

8           4. The minimum budget for the film shall be Fifty Thousand  
9 Dollars (\$50,000.00) of which not less than Twenty-five Thousand  
10 Dollars (\$25,000.00) shall be expended in this state;

11           5. The production company shall provide evidence of financing  
12 for production prior to the commencement of principal photography;  
13 and

14           6. The production company shall provide evidence of a  
15 certificate of general liability insurance with a minimum coverage  
16 of One Million Dollars (\$1,000,000.00) and a workers' compensation  
17 policy pursuant to state law, which shall include coverage of  
18 employer's liability.

19           E. A production company shall not be eligible to receive both a  
20 rebate payment pursuant to the provisions of this act and an  
21 exemption from sales taxes pursuant to the provisions of paragraph  
22 21 of Section 1357 of this title. If a production company has  
23 received such an exemption from sales taxes and submits a claim for  
24 rebate pursuant to the provisions of the Compete with Canada Film

1 Act, the company shall be required to fully repay the amount of the  
2 exemption to the Tax Commission. A claim for a rebate shall include  
3 documentation from the Tax Commission that repayment has been made  
4 as required herein or shall include an affidavit from the production  
5 company that the company has not received an exemption from sales  
6 taxes pursuant to the provisions of paragraph 21 of Section 1357 of  
7 this title.

8 F. The Office shall approve or disapprove all claims for rebate  
9 and shall notify the Tax Commission. The Tax Commission shall, upon  
10 notification of approval from the Office of the Film and Music  
11 Commission, issue payment for all approved claims from funds in the  
12 Oklahoma Film Enhancement Rebate Program Revolving Fund created in  
13 Section 3625 of this title. Provided, no claims for rebate for  
14 expenditures made on or after July 1, 2009, shall be paid prior to  
15 July 1, 2010. The amount of payments in any single fiscal year  
16 shall not exceed Five Million Dollars (\$5,000,000.00) for fiscal  
17 years ending on or before June 30, 2013, and Ten Million Dollars  
18 (\$10,000,000.00) for fiscal years beginning on or after July 1,  
19 2013. If the amount of approved claims exceeds the amount specified  
20 in this subsection in a fiscal year, payments shall be made in the  
21 order in which the claims are approved by the Office. If an  
22 approved claim is not paid in whole or in part, the unpaid claim or  
23 unpaid portion may be paid in the following fiscal year subject to  
24 the limitations specified in this subsection.

1 SECTION 4. AMENDATORY 68 O.S. 2011, Section 3626, is  
2 amended to read as follows:

3 Section 3626. The provisions of the Compete with Canada Film  
4 Act shall be terminated effective ~~July 1, 2014~~ July 1, 2022, and no  
5 claim shall be paid thereafter.

6 SECTION 5. This act shall become effective July 1, 2013.

7 SECTION 6. 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.

11 Passed the Senate the 25th day of February, 2013.

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\_\_\_\_\_  
Presiding Officer of the Senate

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15 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
16 2013.

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Presiding Officer of the House  
of Representatives

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