

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2464 Session of
2018

INTRODUCED BY BRIGGS, MURT AND DALEY, JUNE 5, 2018

REFERRED TO COMMITTEE ON FINANCE, JUNE 5, 2018

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," in entertainment production tax credit, further
11 providing for the definition of postproduction expense.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. The definition of "postproduction expense" in
15 section 1711-D of the act of March 4, 1971 (P.L.6, No.2), known
16 as the Tax Reform Code of 1971, is amended to read:

17 Section 1711-D. Definitions.

18 The following words and phrases when used in this subarticle
19 shall have the meanings given to them in this section unless the
20 context clearly indicates otherwise:

21 * * *

22 "Postproduction expense." A postproduction expense of
23 original content for a film as follows:

1 (1) The term includes traditional, emerging and new
2 work-flow techniques used in postproduction for any of the
3 following:

4 (i) Picture, sound and music editorial, rerecording
5 and mixing.

6 (ii) Visual effects.

7 (iii) Graphic design.

8 (iv) Original scoring.

9 (v) Animation.

10 (vi) Musical composition.

11 (vii) Mastering.

12 (viii) Dubbing.

13 (ix) The purchase of music rights if the following
14 apply:

15 (A) The purchase is from a resident of this
16 Commonwealth.

17 (B) The purchase is from an entity subject to
18 taxation in this Commonwealth and the transaction is
19 subject to taxation under Article III, IV or VI.

20 (2) The term does not include any of the following:

21 (i) Editing previously produced content for a film.

22 (ii) News or current affairs.

23 (iii) Talk shows.

24 (iv) Instructional videos.

25 (v) Content which contains obscene material or
26 performances as defined in 18 Pa.C.S. § 5903(b).

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28 Section 2. This act shall take effect in 60 days.