

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 83

Session of  
2003

INTRODUCED BY GODSHALL, ADOLPH, BAKER, LEDERER, NAILOR, PAYNE,  
BELFANTI, CAPPELLI, CAWLEY, CIVERA, HARPER, HORSEY, KIRKLAND,  
LYNCH, McILHATTAN, MICOZZIE, READSHAW, SATHER, THOMAS,  
WATSON, WILT AND YOUNGBLOOD, JANUARY 30, 2003

AS REPORTED FROM COMMITTEE ON TOURISM AND RECREATIONAL  
DEVELOPMENT, HOUSE OF REPRESENTATIVES, AS AMENDED,  
OCTOBER 14, 2003

## 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," further providing FOR DEFINITIONS AND for <—  
11 exclusions from sales and use tax.

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

14 ~~Section 1. Section 204(54) of the act of March 4, 1971~~ <—  
15 ~~(P.L.6, No.2), known as the Tax Reform Code of 1971, added May~~  
16 ~~7, 1997 (P.L.85, No.7), is amended to read:~~

17 SECTION 1. SECTION 201 OF THE ACT OF MARCH 4, 1971 (P.L.6, <—  
18 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, IS AMENDED BY  
19 ADDING A CLAUSE TO READ:

20 SECTION 201. DEFINITIONS.--THE FOLLOWING WORDS, TERMS AND

1 PHRASES WHEN USED IN THIS ARTICLE II SHALL HAVE THE MEANING  
2 ASCRIBED TO THEM IN THIS SECTION, EXCEPT WHERE THE CONTEXT  
3 CLEARLY INDICATES A DIFFERENT MEANING:

4 \* \* \*

5 (DDD) "COMMERCIAL PRODUCTION." THE PRODUCTION OF A  
6 COMMERCIAL FILM OR VIDEO PRODUCTION TO INCLUDE, BUT NOT BE  
7 LIMITED TO, FEATURE FILMS, SHORT FILMS, TELEVISION SHOWS OR  
8 SERIES, ADVERTISING MESSAGES, DOCUMENTARIES, PUBLIC SERVICE  
9 ANNOUNCEMENTS OR INDUSTRIAL FILMS FOR PUBLIC ENTERTAINMENT,  
10 EDUCATIONAL OR INFORMATIONAL PURPOSES. THE TERM "COMMERCIAL  
11 PRODUCTION" SHALL NOT INCLUDE LEWD OR PORNOGRAPHIC PRODUCTIONS.

12 SECTION 2. SECTION 204(54) OF THE ACT, ADDED MAY 7, 1997  
13 (P.L.85, NO.7), IS AMENDED TO READ:

14 Section 204. Exclusions from Tax.--The tax imposed by  
15 section 202 shall not be imposed upon any of the following:

16 \* \* \*

17 ~~(54) The sale at retail to or use by a producer of~~ <—  
18 ~~commercial motion pictures of any tangible personal property~~  
19 ~~directly used in the production of a [feature length] commercial~~  
20 ~~motion picture [distributed to a national audience] of any~~  
21 ~~length; Provided, however, That the production of any motion~~  
22 ~~picture for which the property will be used does not violate any~~  
23 ~~Federal or State law; and Provided further That the purchaser~~  
24 ~~shall furnish to the vendor a certificate substantially in the~~  
25 ~~form as the Department of Community and Economic Development~~  
26 ~~may, by regulation, prescribe, stating that the sale is exempt~~  
27 ~~from tax pursuant to this clause.~~

28 \* \* \*

29 (54) THE SALE AT RETAIL TO OR USE BY A PRODUCER OF A <—  
30 COMMERCIAL [MOTION PICTURES] PRODUCTION OF ANY TANGIBLE PERSONAL

1 PROPERTY OR SERVICES DIRECTLY USED IN THE [PRODUCTION] MAKING OF  
2 A [FEATURE-LENGTH COMMERCIAL MOTION PICTURE DISTRIBUTED TO A  
3 NATIONAL AUDIENCE] COMMERCIAL PRODUCTION OF ANY LENGTH:  
4 PROVIDED, HOWEVER, THAT THE COMMERCIAL PRODUCTION [OF ANY MOTION  
5 PICTURE] FOR WHICH THE PROPERTY WILL BE USED DOES NOT VIOLATE  
6 ANY FEDERAL OR STATE LAW; AND PROVIDED FURTHER THAT THE  
7 PURCHASER SHALL FURNISH TO THE VENDOR A CERTIFICATE  
8 SUBSTANTIALLY IN THE FORM AS THE DEPARTMENT OF COMMUNITY AND  
9 ECONOMIC DEVELOPMENT MAY, BY REGULATION, PRESCRIBE, STATING THAT  
10 THE SALE IS EXEMPT FROM TAX PURSUANT TO THIS CLAUSE. FOR  
11 PURPOSES OF THIS SECTION, ELIGIBLE DIRECT USES SHALL INCLUDE  
12 TRANSPORTATION EXPENSES, CATERING EXPENSES AND EXPENSES INCURRED  
13 FOR TEMPORARY OFFICE FACILITIES.

14 \* \* \*

15 Section 2 3. This act shall take effect in 60 days.

<—