



## Information and Instructions for Completing Entertainment Industry Qualified Production Company Application for Certificate of Exemption (Form DR-230)

DR-230N  
R. 03/01



### General Instructions

A production company engaged in Florida in the production of motion pictures, made-for-television motion pictures, television series, commercial advertising, music videos, or sound recordings may qualify for a sales and use tax certificate of exemption under section 288.1258, Florida Statutes. The certificate may be used for purchasing, leasing, or renting of qualified production equipment and the renting or leasing of real property used exclusively for production activities.

To qualify, the production company must submit an *Entertainment Industry Qualified Production Company Application for Certificate of Exemption* (Form DR-230) to the Florida Department of Revenue (DOR). The Office of the Film Commission and DOR will review the application and determine whether the production company qualifies for exemption. If the company qualifies, DOR will issue a certificate of exemption.

A certificate of exemption may be issued for a period of either 12 months or 90 days.

- A production company that conducts motion picture, television, or sound recording business in the State of Florida at a permanent Florida address for a period of 12 consecutive months may qualify for a 12-month exemption certificate.
- A Florida based or non-Florida based production company that conducts motion picture, television or sound recording business in the State of Florida but does not qualify for the 12-month certificate may qualify for a 90-day exemption certificate.

### Important!

#### Remember to:

- ✓ Complete the entire application. Do not leave blanks. If the response is “not applicable,” “none,” or “zero,” write N/A in the space provided. Failure to provide adequate documentation will result in your application being deemed incomplete.
- ✓ Provide your FEI number, social security number and sales and use tax certificate number (if registered).
- ✓ Provide a description of company activities and operations. Attach a brochure or a one-page description on company letterhead.
- ✓ Sign the application.

### Specific Instructions

**Complete the entire application. Please print clearly or type all information. Do not leave blanks. If the response is “not applicable,” “none,” or “zero,” write N/A in the space provided.**

#### Part 1. Production Company Information

**A. Company Name, Street Address, Etc.** Enter all data requested, including:

**Business Entity Identification Number.** Enter the Federal Employer Identification (FEI) Number of the production company. If an FEI number is not required for your business entity, enter the social security number (SSN) of the company’s owner.

**Florida Sales Tax Certificate Number.** If the production company is registered to collect and remit sales tax in Florida, enter the sales and use tax certificate number in the space provided.

**Name of Company Contact.** Enter the name of the producer or corporate officer of the production company responsible for the sales tax exemption certificate. Provide telephone numbers, etc.

**B. Location Production Contact.** Enter the name of the person at the production location who will be responsible for issues related to the sales tax exemption. Provide telephone numbers, etc.

**C. Provide a description of company activities and operations.** Attach a brochure or a one-page description on company letterhead. The description should include an explanation of the nature of the business in which the company is engaged and list relevant recent and current production projects.

**D. Florida Based Company.** Check the “YES” box if the production company has its home office in Florida. Enter the date the production company established its home office in Florida. Attach documentation that proves the company has had a physical location in Florida for the past 12 consecutive months. (Examples: articles of incorporation or occupational license.) Failure to provide adequate documentation will result in your application being deemed incomplete.

#### Part 2. Exemption Period Requested

**A. Check the box next to the exemption period you are requesting; i.e., 90 days or 12 months.**

**B. Projected Florida Purchases/Production Dates.**

Enter the beginning and ending dates of anticipated purchasing activity for the Florida production. Include all dates that production activity will take place in Florida.

**Part 3. Production Information (Attach additional sheets if needed)****A. Production/Product(s) Title or Subject Matter.**

Enter the working name or title of the production(s) or product(s). If the name or title is not currently available, enter a one-line description of the production. Check the box that best describes the production.

**Primary Language.** Enter the primary language of the production (e.g., English, Spanish, etc.).

If you are applying for a **90-day certificate**, you must complete the application in its entirety.

If you are applying for a **12-month certificate**, in lieu of completing Columns 3B, 3C, and 3D you may attach a minimum one-year historical data sheet containing employment information; projected production budgets; and purchases, leases, and rentals of qualified exempt items related to Florida production activities. **The historical data sheet must include the following:**

- Total tax-exempt Florida expenditures.
- Total Florida wages.
- Number of Florida employees (full-time and freelance).
- Total proposed Florida production budget.

**B. Proposed Florida Tax-Exempt Expenditures.** In the appropriate boxes, enter the estimated expenditures for qualifying production equipment, set design and construction, props, wardrobe, and real property. In the space marked "Other," enter the estimated expenditure for other items that qualify for the exemption. Add all the estimated expenditures in this column and enter the total in the box titled "Total tax-exempt Florida expenditures."

**C. Proposed Florida Employment Information.** In the appropriate boxes, enter the amount you estimate will be paid to Florida residents in each employee category. Add all the wages in this column and enter the total in the box titled "Total Florida wages."

Enter the estimated number of Florida full-time or freelance employees.

**Note:** A Florida resident is an individual who is domiciled and residing in the State of Florida.

**D. Total Proposed Florida Production Expenditures.**

**Total Florida tax-exempt expenditure.** Enter the total from Column B in this box.

**Total Florida wages.** Enter the total from Column C in this box.

**Total Florida lodging expenditures.** Enter the estimated amount that will be spent on housing cast and crew in Florida hotels or motels. Do not include private lodging.

**Total Florida food expenditures.** Enter total estimated expenditures for food or catering for the cast, crew, and business guests of the production.

**Other Florida production expenditures.** In this box, enter the amount of estimated expenditures that do not fit into any of the other categories listed.

**Total proposed Florida production budget.** Add all the estimated expenditures in Column D and enter the total in this box.

**Signature of Applicant.** The application must be signed by a person who is authorized to sign on behalf of the production company. Stamped signatures will not be accepted. Print name, title, and date in the spaces provided.

Applications must be complete and required documentation must be attached. Incomplete applications will be returned.

**Applications may be submitted by mail, overnight delivery, or fax.****Mail completed application to:**

CENTRAL REGISTRATION  
FLORIDA DEPARTMENT OF REVENUE  
PO BOX 6480  
TALLAHASSEE FL 32314-6480

**Send overnight delivery to:**

CENTRAL REGISTRATION  
FLORIDA DEPARTMENT OF REVENUE  
5050 W TENNESSEE ST BLDG E  
TALLAHASSEE FL 32399-0100

**Send fax to:**

CENTRAL REGISTRATION  
850-921-1740

If you fax the application, you must also send the original, signed application to the Department of Revenue via regular mail or overnight delivery.

**If you have questions about the application process, call Central Registration at 850-487-4130.**

## Purchases That Can Qualify for Exemption From Sales and Use Tax

### Production Equipment (Qualifying Tangible Personal Property)

Tangible personal property means personal property that may be seen, weighed, measured, or touched. For the equipment to qualify for the exemption, the tangible personal property must be used exclusively as an integral part of the production activities in this state. The equipment must be depreciable with a useful life of at least 3 years. The exemption may also be extended to parts and accessories for qualified production equipment.

Examples of qualified equipment, parts, and accessories include, but are not limited to, the following:

- Bull horns
- Cameras
- Camera cables and connectors
- Costumes
- Custom designed production
- Software
- Dollies
- Foggers (not fluid)
- Generators
- Grip equipment
- Lighting
- Microphones
- Production computers
- Props (non-expendable)
- Sets
- Sound booms
- Sound equipment
- Sound mixers
- Sound recorders
- Stages
- Teleprompters
- Tents
- Video recorders
- Video cables and connectors
- Walkie talkies
- Wardrobes (non-expendable)
- Wigs

The purchase, by the producer or an employee acting on the producer's behalf, of materials such as bolts, nails, lumber, paint, and other materials which become a component part of a finished product used as an integral part of the production activity, qualifies for the sales tax exemption. Tools and accessories used to construct the product do not qualify for the exemption.

Examples of equipment, parts, and accessories that **do not** qualify include, but are not limited to:

- Audio tapes
- Batteries (over-the-counter)
- Film (35mm, etc.)
- Light bulbs (household)
- Location fees
- Lodging
- Make-up
- Meals (includes catering services)
- Office supplies
- Raw stock film
- Records
- Travel expenses
- Vehicles (includes rental cars, trucks, motorcycles, other licensed vehicles)
- Vessels
- Video tapes

Props and wardrobe that are purchased and can be stored for future production activities may qualify for the exemption. Food, beverages, plants, or personal clothing (lingerie, underwear) although used in the production, would not qualify for the exemption. Nails, paint, and other items that become a component part of a finished product are exempt. The brushes, pails, masking tape, and other tools and accessories would not qualify.

Generally, vehicles and vessels that are required to be registered, licensed, or titled do not qualify for the exemption. The exception would be registered, licensed, or titled vehicles and vessels that are specifically designed and factory equipped with qualified production equipment. Motor homes or other vehicles and vessels not specifically equipped with production equipment, or if used for wardrobe or make-up, or used as cast and crew quarters, are not eligible for the exemption. Attachments to the ineligible vehicles or vessels, such as camera racks or boom arms, etc., would be eligible if separately itemized on the invoice.

### Lease or Rental of Real Property

“Real property” means the surface land, improvements thereto, and fixtures, and is synonymous with “realty” and “real estate.” The leasing, renting, or granting of a license to use any real property such as sound stages, studios, or any other real estate used as an integral part of the performance of the qualified production services, as noted below, is exempt from tax.

To determine if the real property is exempt from tax, the term “qualified production services” means any activity or service performed directly in connection with the production of a qualified motion picture, made for television motion picture, television series, commercial advertising, music video, or sound recording. Examples include the design, planning, engineering, construction, alteration, repair, and maintenance of real or tangible personal property, including, but not limited to models, paintings, props, sets, stages, and facilities principally required for the performance of the qualified production activities and services listed below.

### Activities

- Animation
- Casting
- Choreographing
- Coaching
- Composing
- Computer graphics
- Consulting
- Cutting
- Directing
- Distributing
- Dubbing
- Duplicating
- Editing
- Looping
- Mixing
- Photography
- Printing
- Processing
- Producing
- Scoring
- Script supervising
- Shooting
- Storing
- Writing

### Services

- Adaptation (language, media, electronic, or otherwise)
- Creation of special and optical effects
- Designing and executing stunts
- Hair and makeup (design, production, and application)
- Location managing and scouting
- Performing (such as acting, dancing, and playing)
- Set and stage support (such as electricians, greensmen, grips, lighting designers and operators, and prop managers and assistants)
- Sound and recording
- Technological modifications
- Wardrobe (design, preparation, and management)
- Property management services directly related to property used in connection with the qualified production services described above may be exempt.

### Master Tapes, Master Records, Master Films, or Master Video Tapes

The sale or lease of master tapes or master records that are used by the recording industry in reproducing audio recordings are taxable only on the value of the blank tapes or records used as a medium to transfer the master tapes or records. Likewise, the sale or lease of master films and master video tapes that are used in reproducing visual images for showing on screens or television is taxable only on the value of the blank film or tape used as a medium to transfer the master films and tapes. The value of all the major cost components of making a master, such as artistic services, processing, and copyrights or royalties, is excluded from the taxable price of the sale or lease. This tax treatment is limited to sales or leases by a recording studio to the recording industry or by a motion picture or television studio to the motion picture or television production industry.