

**Renumbered 5/12/2015**

**63M-1-1802 Definitions.**

As used in this part:

- (1) "Board" means the Governor's Office of Economic Development Board.
- (2) "Digital media company" means a company engaged in the production of a digital media project.
- (3) "Digital media project" means all or part of a production of interactive entertainment or animated production that is produced for distribution in commercial or educational markets, which shall include projects intended for Internet or wireless distribution.
- (4) "Dollars left in the state" means expenditures made in the state for a state-approved production, including:
  - (a) an expenditure that is subject to:
    - (i) a corporate franchise or income tax under Title 59, Chapter 7, Corporate Franchise and Income Taxes;
    - (ii) an individual income tax under Title 59, Chapter 10, Individual Income Tax Act; and
    - (iii) a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act, notwithstanding any sales and use tax exemption allowed by law; or
    - (iv) a combination of Subsections (4)(a)(i), (ii), and (iii);
  - (b) payments made to a nonresident only to the extent of the income tax paid to the state on the payments, the amount of per diems paid in the state, and other direct reimbursements transacted in the state; and
  - (c) payments made to a payroll company or loan-out corporation that is registered to do business in the state, only to the extent of the amount of withholding under Section 59-10-402.
- (5) "Loan-out corporation" means a corporation owned by one or more artists that provides services of the artists to a third party production company.
- (6) "Motion picture company" means a company engaged in the production of:
  - (a) motion pictures;
  - (b) television series; or
  - (c) made-for-television movies.
- (7) "Motion picture incentive" means either a cash rebate from the Motion Picture Incentive Account or a refundable tax credit under Section 59-7-614.5 or 59-10-1108.
- (8) "New state revenues" means:
  - (a) incremental new state sales and use tax revenues generated as a result of a digital media project that a digital media company pays under Title 59, Chapter 12, Sales and Use Tax Act;
  - (b) incremental new state tax revenues that a digital media company pays as a result of a digital media project under:
    - (i) Title 59, Chapter 7, Corporate Franchise and Income Taxes;
    - (ii) Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information;
    - (iii) Title 59, Chapter 10, Part 2, Trusts and Estates;
    - (iv) Title 59, Chapter 10, Part 4, Withholding of Tax; or
    - (v) a combination of Subsections (8)(b)(i), (ii), (iii), and (iv);
  - (c) incremental new state revenues generated as individual income taxes under Title 59, Chapter 10, Part 1, Determination and Reporting of Tax Liability and Information, paid by employees of the new digital media project as evidenced by payroll records from the digital media company; or
  - (d) a combination of Subsections (8)(a), (b), and (c).
- (9) "Office" means the Governor's Office of Economic Development.

- (10) "Payroll company" means a business entity that handles the payroll and becomes the employer of record for the staff, cast, and crew of a motion picture production.
- (11) "Refundable tax credit" means a refundable motion picture tax credit authorized under Section 63M-1-1803 and claimed under Section 59-7-614.5 or 59-10-1108.
- (12) "Restricted account" means the Motion Picture Incentive Account created in Section 63M-1-1803.
- (13) "State-approved production" means a production under Subsections (3) and (6) that is:
  - (a) approved by the office and ratified by the board; and
  - (b) produced in the state by a motion picture company.
- (14) "Tax credit amount" means the amount the office lists as a tax credit on a tax credit certificate for a taxable year.
- (15) "Tax credit certificate" means a certificate issued by the office that:
  - (a) lists the name of the applicant;
  - (b) lists the applicant's taxpayer identification number;
  - (c) lists the amount of tax credit that the office awards the applicant for the taxable year; and
  - (d) may include other information as determined by the office.