

1 ENGROSSED SENATE AMENDMENT  
TO

2 ENGROSSED HOUSE  
3 BILL NO. 2459

By: Hill and McDugle of the  
House

4 and

5 Hall of the Senate

6  
7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2021, Sections 3632, 3635, and 3638, which  
9 relate to the Filmed in Oklahoma Act of 2021;  
10 modifying definitions; modifying incentive related to  
11 certain post production activity; modifying  
12 provisions related to appearance of logo in finished  
13 productions; providing an effective date; and  
14 declaring an emergency.

15 AMENDMENT NO. 1. Page 1, strike the title, enacting clause and  
16 entire bill and insert

17 "[ rebate incentives - Filmed in Oklahoma Act of 2021  
18 - appearance of logo - effective date -  
19 emergency ]

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

21 SECTION 1. AMENDATORY 68 O.S. 2021, Section 3632, is  
22 amended to read as follows:

23 Section 3632. As used in the Filmed in Oklahoma Act of 2021:

24 1. "Above-the-line personnel" means producers, principal cast,  
screenwriters, and directors who work on production of films or  
television series. The qualifying salary of above-the-line

1 personnel may be included as crew, as defined in paragraph 3 of this  
2 section, if the salaries are paid to loan-out corporations and  
3 limited liability companies registered to do business in this state  
4 or the salaries are paid to Oklahoma-based above-the-line personnel.  
5 The qualifying salary of above-the-line personnel shall not comprise  
6 more than twenty-five percent (25%) of total expenditures as defined  
7 in paragraph 5 of this section. For purposes of this paragraph,  
8 "Oklahoma-based" means a company or individual with an Oklahoma  
9 income tax requirement;

10 2. "Apprentice" means a person who works for a skilled or  
11 qualified person in order to learn a trade or profession for an  
12 agreed-upon period of time. An apprentice may work in any of the  
13 trades recognized by the Oklahoma Department of Commerce as  
14 necessary for a film production. An apprentice shall be required to  
15 complete safety training appropriate for the duties to be performed  
16 in connection with a qualified project and also to complete a course  
17 related to and with the objective of preventing workplace  
18 misbehavior, such as bullying and sexual harassment;

19 3. "Crew" means any person who works on preproduction,  
20 principal photography and ~~postproduction~~ post-production, with the  
21 exception of ~~above-the-line personnel~~ above-the-line personnel;

22 4. "Eligible television series" means a project if either  
23 seventy-five percent (75%) of the series season is filmed within the  
24

1 state or, for an episodic television pilot, if more than seventy-  
2 five percent (75%) of the pilot is filmed within the state;

3 5. "Expenditure" or "production cost" includes but is not  
4 limited to:

- 5 a. wages or salaries of persons who are residents of this  
6 state or who are enrolled as full-time students at a  
7 college or university located in the state offering an  
8 undergraduate degree program or who are on active  
9 military duty and stationed in Oklahoma or involved in  
10 a restorative workforce program and who have earned  
11 income from working on a film in this state including  
12 payments to personal services corporations with  
13 respect to the services of qualified performing  
14 artists, pursuant to the provisions of the Internal  
15 Revenue Code, 26 U.S.C., Section 62(a)(2),
- 16 b. the cost of construction and operations, wardrobe,  
17 accessories and related services,
- 18 c. the cost of photography, sound synchronization,  
19 lighting and related services,
- 20 d. the cost of editing and related services,
- 21 e. rental of facilities and equipment,
- 22 f. other direct costs of producing a film, and

1           g.    the wages and salaries of persons who are defined and  
2                    registered as an Oklahoma Expatriate by the ~~Office of~~  
3                    ~~the~~ Oklahoma Film and Music ~~Commission~~ Office;

4           6.    "Film" means a professional single media, multimedia program  
5    or feature, which is not child pornography as defined in subsection  
6    A of Section 1024.1 of Title 21 of the Oklahoma Statutes or obscene  
7    material as defined in paragraph 1 of subsection B of Section 1024.1  
8    of Title 21 of the Oklahoma Statutes including, but not limited to,  
9    national advertising messages that are broadcast on a national  
10   affiliate or cable network, fixed on film or digital video, which  
11   can be viewed or reproduced and which is exhibited in theaters,  
12   licensed for exhibition by individual television stations, groups of  
13   stations, networks, cable television stations or other means or  
14   licensed for home viewing markets. The term shall also include  
15   filming for interactive and video gaming including, but not limited  
16   to, green screen, motion capture and similar production techniques;

17           7.    "Multi-film deal" means a project in which a production  
18   company films at least seventy-five percent (75%) of main crew  
19   principal photography for three (3) or more films in this state  
20   within three (3) years or where the third film starts main crew  
21   principal photography within the three (3) year period;

22           8.    "Nonresident crew member" means a person who is not an  
23   Oklahoma resident, hired for a qualifying production project  
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1 occurring within the state and who is subject to the payment of  
2 Oklahoma employment taxes;

3 9. "Production company" means a person, producer or company who  
4 produces film for exhibition in theaters, on television or  
5 elsewhere;

6 10. "Qualified production expenditure amount" means an  
7 expenditure defined pursuant to paragraph 5 of this section; and

8 11. "Qualified soundstage facility" means a state certified  
9 industry standard soundstage facility having not less than seven  
10 thousand five hundred (7,500) square feet of combined soundstage  
11 space and with a total state rental cost to the production company  
12 equal to at least ~~one percent (1%)~~ three percent (3%) of the  
13 qualifying Oklahoma expenditures with respect to a production.

14 SECTION 2. AMENDATORY 68 O.S. 2021, Section 3635, is  
15 amended to read as follows:

16 Section 3635. A. Subject to the final approval of the  
17 eligibility application by the Oklahoma Department of Commerce, a  
18 requirement that the incentive payments made pursuant to the  
19 provisions of ~~this act~~ the Filmed in Oklahoma Act of 2021 achieve  
20 the maximum positive impact for the Oklahoma economy and subject to  
21 the Oklahoma workforce requirements of Section 7 3637 of this ~~act~~  
22 title, the base incentive amount for a project filmed in this state,  
23 not including above-the-line personnel, shall be a maximum of ~~twenty~~  
24 thirty percent ~~(20%)~~ (30%) of the qualified production expenditure

1 amount. An incentive for a project filmed in this state for wages  
2 paid to nonresident crew, not including above-the-line personnel,  
3 ~~before July 1, 2023,~~ shall be provided in the amount of seven and  
4 one-half percent (7.5%) for wages paid before April 1, 2023 and  
5 twenty percent (20%) for wages paid on or after April 1, 2023.

6 B. In addition to the amount authorized by subsection A of this  
7 section, there may be an additional incentive amount, subject to the  
8 final approval of the Oklahoma Department of Commerce, in the  
9 maximum amount of:

10 1. Three percent (3%) of the qualified production expenditure  
11 amount for projects where at least twenty-five percent (25%) of main  
12 crew principal photography days are filmed on location, excluding  
13 sound stage production, in any county of this state if the county  
14 has a population of less than two hundred fifty thousand (250,000)  
15 persons according to the ~~federal~~ Federal Decennial Census or most  
16 recent population estimate;

17 2. Two percent (2%) of the qualified production expenditure  
18 amount for projects whose hub location, as determined by the  
19 Department, is or projects where at least twenty-five percent (25%)  
20 of main crew principal photography days are filmed on location,  
21 excluding sound stage production, in a municipality having a  
22 population of ~~thirteen thousand (13,000)~~ twenty-five thousand  
23 (25,000) or fewer persons according to the ~~federal~~ Federal Decennial  
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1 Census or most recent population estimate regardless of the county  
2 in which the municipality is located or partially located;

3 3. Five percent (5%) of the qualified production expenditure  
4 amount for soundstage expenditures if at least twenty-five percent  
5 (25%) of main crew principal photography days are filmed at a  
6 qualified soundstage facility;

7 4. For eligible television series as defined in paragraph 4 of  
8 Section ~~2~~ 3632 of this ~~act~~ title:

9 a. two percent (2%) of the qualified production  
10 expenditure amount for an eligible television episodic  
11 pilot, and

12 b. five percent (5%) of the qualified production  
13 expenditure amount if a television series is filmed  
14 for one or more seasons;

15 5. Five percent (5%) of the qualified production expenditure  
16 amount for an eligible multi-film deal as defined in paragraph 7 of  
17 Section ~~2~~ 3632 of this ~~act~~ title; and

18 6. On or after July 1, 2023, two percent (2%) of the qualified  
19 production expenditure amount for the post-production expenses of:

20 a. music production, recording, mixing, or composition,  
21 or

22 b. licensing of Oklahoma music; and

23 7. Three percent (3%) of the qualified production expenditure  
24 amount based on expenditures paid to Oklahoma vendors for post-

1 production expenses with a minimum expenditure of three percent (3%)  
2 of Oklahoma production expenditures. Post-production expenditures  
3 include but are not limited to the following categories:

- 4 a. sound recording or mixing,
- 5 b. color grading,
- 6 c. editorial work,
- 7 d. visual effects,
- 8 e. animation,
- 9 f. deliverables, excluding marketing and advertising,
- 10 g. ~~music production, recording, mixing or composition,~~
- 11 h. ~~licensing of Oklahoma music, and~~
- 12 ~~i. editing equipment or editing facility rental,~~
- 13 h. color grading or digital intermediate processing,
- 14 i. audio post-production processes including Foley artist  
15 processes or services, and
- 16 j. graphics, including but not limited to the GFX system.

17 SECTION 3. AMENDATORY 68 O.S. 2021, Section 3638, is  
18 amended to read as follows:

19 Section 3638. All production projects for which any incentive  
20 is paid pursuant to the provisions of ~~this act~~ the Filmed in  
21 Oklahoma Act of 2021 shall contain a logo, as approved by the  
22 Oklahoma Department of Commerce, to be displayed in the ~~end~~ credits  
23 of the finished production for a period of at least five (5) seconds  
24 or, if the production does not contain ~~end~~ credits, the Oklahoma



1 Department of Commerce shall obtain a commitment by the production  
2 company to provide equivalent value as determined by the Oklahoma  
3 Department of Commerce.

4 SECTION 4. Sections 1 and 3 of this act shall become effective  
5 July 1, 2023.

6 SECTION 5. It being immediately necessary for the preservation  
7 of the public peace, health or safety, an emergency is hereby  
8 declared to exist, by reason whereof this act shall take effect and  
9 be in full force from and after its passage and approval.”

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Passed the Senate the 27th day of April, 2023.

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

Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
2023.

\_\_\_\_\_  
Presiding Officer of the House  
of Representatives

1 ENGROSSED HOUSE  
2 BILL NO. 2459

By: Hill, and McDugle of the  
House

3 and

4 Hall of the Senate  
5  
6

7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2021, Sections 3632, 3635, and 3638, which  
9 relate to the Filmed in Oklahoma Act of 2021;  
10 modifying definitions; modifying incentive related to  
11 certain post production activity; modifying  
12 provisions related to appearance of logo in finished  
13 productions; providing an effective date; and  
14 declaring an emergency.

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

16 SECTION 6. AMENDATORY 68 O.S. 2021, Section 3632, is  
17 amended to read as follows:

18 Section 3632. As used in the Filmed in Oklahoma Act of 2021:

19 1. "Above-the-line personnel" means producers, principal cast,  
20 screenwriters and directors who work on production of films or  
21 television series. The qualifying salary of above-the-line  
22 personnel may be included as crew, as defined in paragraph 3 of this  
23 section, if the salaries are paid to loan-out corporations and  
24 limited liability companies registered to do business in this state  
or the salaries are paid to Oklahoma-based above-the-line personnel.

1 The qualifying salary of above-the-line personnel shall not comprise  
2 more than twenty-five percent (25%) of total expenditures as defined  
3 in paragraph 5 of this section. For purposes of this paragraph,  
4 "Oklahoma-based" means a company or individual with an Oklahoma  
5 income tax requirement;

6 2. "Apprentice" means a person who works for a skilled or  
7 qualified person in order to learn a trade or profession for an  
8 agreed-upon period of time. An apprentice may work in any of the  
9 trades recognized by the Oklahoma Department of Commerce as  
10 necessary for a film production. An apprentice shall be required to  
11 complete safety training appropriate for the duties to be performed  
12 in connection with a qualified project and also to complete a course  
13 related to and with the objective of preventing workplace  
14 misbehavior, such as bullying and sexual harassment;

15 3. "Crew" means any person who works on preproduction,  
16 principal photography and postproduction, with the exception of  
17 ~~above-the-line-personnel~~ above-the-line personnel;

18 4. "Eligible television series" means a project if either  
19 seventy-five percent (75%) of the series season is filmed within the  
20 state or, for an episodic television pilot, if more than seventy-  
21 five percent (75%) of the pilot is filmed within the state;

22 5. "Expenditure" or "production cost" includes but is not  
23 limited to:

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- 1 a. wages or salaries of persons who are residents of this  
2 state or who are enrolled as full-time students at a  
3 college or university located in the state offering an  
4 undergraduate degree program or who are on active  
5 military duty and stationed in Oklahoma or involved in  
6 a restorative workforce program and who have earned  
7 income from working on a film in this state including  
8 payments to personal services corporations with  
9 respect to the services of qualified performing  
10 artists, pursuant to the provisions of the Internal  
11 Revenue Code, 26 U.S.C., Section 62(a)(2),
- 12 b. the cost of construction and operations, wardrobe,  
13 accessories and related services,
- 14 c. the cost of photography, sound synchronization,  
15 lighting and related services,
- 16 d. the cost of editing and related services,
- 17 e. rental of facilities and equipment,
- 18 f. other direct costs of producing a film, and
- 19 g. the wages and salaries of persons who are defined and  
20 registered as an Oklahoma Expatriate by the Office of  
21 the Oklahoma Film and Music Commission;

22 6. "Film" means a professional single media, multimedia program  
23 or feature, which is not child pornography as defined in subsection  
24 A of Section 1024.1 of Title 21 of the Oklahoma Statutes or obscene

1 material as defined in paragraph 1 of subsection B of Section 1024.1  
2 of Title 21 of the Oklahoma Statutes including, but not limited to,  
3 national advertising messages that are broadcast on a national  
4 affiliate or cable network, fixed on film or digital video, which  
5 can be viewed or reproduced and which is exhibited in theaters,  
6 licensed for exhibition by individual television stations, groups of  
7 stations, networks, cable television stations or other means or  
8 licensed for home viewing markets. The term shall also include  
9 filming for interactive and video gaming including, but not limited  
10 to, green screen, motion capture and similar production techniques;

11 7. "Multi-film deal" means a project in which a production  
12 company films at least seventy-five percent (75%) of main crew  
13 principal photography for three (3) or more films in this state  
14 within three (3) years or where the third film starts main crew  
15 principal photography within the three (3) year period;

16 8. "Nonresident crew member" means a person who is not an  
17 Oklahoma resident, hired for a qualifying production project  
18 occurring within the state and who is subject to the payment of  
19 Oklahoma employment taxes;

20 9. "Production company" means a person, producer or company who  
21 produces film for exhibition in theaters, on television or  
22 elsewhere;

23 10. "Qualified production expenditure amount" means an  
24 expenditure defined pursuant to paragraph 5 of this section; and

1 11. "Qualified soundstage facility" means a state certified  
2 industry standard soundstage facility having not less than seven  
3 thousand five hundred (7,500) square feet of combined soundstage  
4 space and with a total state rental cost to the production company  
5 equal to at least ~~one percent (1%)~~ three percent (3%) of the  
6 qualifying Oklahoma expenditures with respect to a production.

7 SECTION 7. AMENDATORY 68 O.S. 2021, Section 3635, is  
8 amended to read as follows:

9 Section 3635. A. Subject to the final approval of the  
10 eligibility application by the Oklahoma Department of Commerce, a  
11 requirement that the incentive payments made pursuant to the  
12 provisions of this act achieve the maximum positive impact for the  
13 Oklahoma economy and subject to the Oklahoma workforce requirements  
14 of Section 7 3637 of this ~~act~~ title, the base incentive amount for a  
15 project filmed in this state, not including above-the-line  
16 personnel, shall be a maximum of ~~twenty~~ thirty percent ~~(20%)~~ (30%)  
17 of the qualified production expenditure amount. An incentive for a  
18 project filmed in this state for wages paid to nonresident crew, not  
19 including above-the-line personnel, ~~before July 1, 2023,~~ shall be  
20 provided in the amount of ~~seven and one-half~~ twenty percent ~~(7.5%)~~  
21 (20%).

22 B. In addition to the amount authorized by subsection A of this  
23 section, there may be an additional incentive amount, subject to the  
24

1 final approval of the Oklahoma Department of Commerce, in the  
2 maximum amount of:

3 1. Three percent (3%) of the qualified production expenditure  
4 amount for projects where at least twenty-five percent (25%) of main  
5 crew principal photography days are filmed on location, excluding  
6 sound stage production, in any county of this state if the county  
7 has a population of less than two hundred fifty thousand (250,000)  
8 persons according to the ~~federal~~ Federal Decennial Census or most  
9 recent population estimate;

10 2. Two percent (2%) of the qualified production expenditure  
11 amount for projects whose hub location, as determined by the  
12 Department, is or projects where at least twenty-five percent (25%)  
13 of main crew principal photography days are filmed on location,  
14 excluding sound stage production, in a municipality having a  
15 population of ~~thirteen thousand (13,000)~~ twenty-five thousand  
16 (25,000) or fewer persons according to the ~~federal~~ Federal Decennial  
17 Census or most recent population estimate regardless of the county  
18 in which the municipality is located or partially located;

19 3. Five percent (5%) of the qualified production expenditure  
20 amount for soundstage expenditures if at least twenty-five percent  
21 (25%) of main crew principal photography days are filmed at a  
22 qualified soundstage facility;

23 4. For eligible television series as defined in paragraph 4 of  
24 Section ~~2~~ 3632 of this ~~act~~ title:

1 a. two percent (2%) of the qualified production  
2 expenditure amount for an eligible television episodic  
3 pilot, and

4 b. five percent (5%) of the qualified production  
5 expenditure amount if a television series is filmed  
6 for one or more seasons;

7 5. Five percent (5%) of the qualified production expenditure  
8 amount for an eligible multi-film deal as defined in paragraph 7 of  
9 Section ~~2~~ 3632 of this ~~act~~ title; and

10 6. On or after July 1, 2023, two percent (2%) of the qualified  
11 production expenditure amount for the post production expenses of:

12 a. music production, recording, mixing, or composition,

13 or

14 b. licensing of Oklahoma music;

15 7. Three percent (3%) of the qualified production expenditure  
16 amount based on expenditures paid to Oklahoma vendors for post-  
17 production expenses with a minimum expenditure of three percent (3%)  
18 of Oklahoma production expenditures. Post-production expenditures  
19 include but are not limited to the following categories:

20 a. sound recording or mixing,

21 b. color grading,

22 c. editorial work,

23 d. visual effects,

24 e. animation,



- 1 f. deliverables, excluding marketing and advertising,  
2 g. ~~music production, recording, mixing or composition,~~  
3 ~~h. licensing of Oklahoma music, and~~  
4 ~~i. editing equipment or editing facility rental,~~  
5 h. color grading or digital intermediate processing,  
6 i. audio post production processes including Foley artist  
7 processes or services, and  
8 j. graphics, including but not limited to the GFX system.

9 SECTION 8. AMENDATORY 68 O.S. 2021, Section 3638, is  
10 amended to read as follows:

11 Section 3638. All production projects for which any incentive  
12 is paid pursuant to the provisions of this act shall contain a logo,  
13 as approved by the Oklahoma Department of Commerce, to be displayed  
14 in the ~~end~~ credits of the finished production for a period of at  
15 least five (5) seconds or, if the production does not contain ~~end~~  
16 credits, the Oklahoma Department of Commerce shall obtain a  
17 commitment by the production company to provide equivalent value as  
18 determined by the Oklahoma Department of Commerce.

19 SECTION 9. Sections 1 and 3 of this act shall become effective  
20 July 1, 2023.

21 SECTION 10. It being immediately necessary for the preservation  
22 of the public peace, health or safety, an emergency is hereby  
23 declared to exist, by reason whereof this act shall take effect and  
24 be in full force from and after its passage and approval.

1 Passed the House of Representatives the 20th day of March, 2023.

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3 \_\_\_\_\_  
4 Presiding Officer of the House  
5 of Representatives

6 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2023.

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9 Presiding Officer of the Senate