

By: Hilderbran

H.B. No. 2145

A BILL TO BE ENTITLED

1 AN ACT
2 relating to apportionment of certain receipts of a broadcaster
3 under the franchise tax.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 171.106, Tax Code, is amended by adding
6 Subsection (g) to read as follows:

7 (g) A taxable entity that is a broadcaster shall include in
8 the numerator of the broadcaster's apportionment factor receipts
9 arising from a broadcast or other distribution of film programming
10 by any means only if the legal domicile of the broadcaster's
11 customer is in this state. This subsection applies only to receipts
12 that are licensing income from distributing film programming. In
13 this subsection:

14 (1) "Broadcaster" means a taxable entity, not
15 including a cable service provider or a direct broadcast satellite
16 service, that is a:

17 (A) television station licensed by the Federal
18 Communications Commission;

19 (B) television broadcast network;

20 (C) cable television network; or

21 (D) television distribution company.

22 (2) "Customer" means a person, including a licensee,
23 that has a direct connection or contractual relationship with a
24 broadcaster under which the broadcaster derives revenue.

1 (3) "Film programming" means all or part of a live or
2 recorded performance, event, or production intended to be
3 distributed for visual and auditory perception by an audience.

4 (4) "Programming" includes news, entertainment,
5 sporting events, plays, stories, or other literary, commercial,
6 educational, or artistic works.

7 SECTION 2. This Act applies only to a report originally due
8 on or after the effective date of this Act.

9 SECTION 3. This Act takes effect January 1, 2015.