

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 or relating to a broadcast or other distribution of
10 film or radio programming by any means only if the legal domicile of
11 the broadcaster's customer is in this state. Receipts to which this
12 subsection apply include licensing income from distributing film or
13 radio programming. In 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 or radio station licensed by the
18 Federal Communications Commission;

19 (B) television or radio broadcast network;

20 (C) cable television network; or

21 (D) television distribution company.

22 (2) "Customer" means a person, including a license
23 holder, that has a direct connection or contractual relationship
24 with a 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 (5) "Radio programming" means all or part of a live or
8 recorded performance, event, or production intended to be
9 distributed for auditory perception by an audience.

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

12 SECTION 3. This Act takes effect January 1, 2014.