

(3) "FILM PRODUCTION ACTIVITY" DOES NOT INCLUDE:

(I) PRODUCTION OF:

- A. STUDENT FILMS;
- B. NONCOMMERCIAL PERSONAL VIDEOS;
- C. SPORTS BROADCASTS;
- D. BROADCASTS OF LIVE EVENTS; OR
- E. TALK SHOWS; OR

(II) ANY ACTIVITY NOT NECESSARY TO AND UNDERTAKEN DIRECTLY AND EXCLUSIVELY FOR THE MAKING OF A MASTER FILM, TAPE, OR IMAGE.

(C) "FUND" MEANS THE FILM PRODUCTION EMPLOYER WAGE REBATE FUND ESTABLISHED UNDER § 5-1805 OF THIS SUBTITLE.

(D) (1) "QUALIFIED EMPLOYEE WAGES" MEANS THE FIRST \$25,000 OF THE PORTION OF AN EMPLOYEE'S WAGES THAT ARE DIRECTLY ATTRIBUTABLE TO THE EMPLOYEE'S WORK ON THE FILM PRODUCTION ACTIVITY IN THE STATE.

(2) "QUALIFIED EMPLOYEE WAGES" DOES NOT INCLUDE ANY PORTION OF THE WAGES OF AN EMPLOYEE WHOSE WAGES IN CONNECTION WITH THE FILM PRODUCTION ACTIVITY EQUAL OR EXCEED \$1,000,000.

(E) "QUALIFIED FILM PRODUCTION EMPLOYER" MEANS AN EMPLOYER THAT IS CARRYING OUT A FILM PRODUCTION ACTIVITY AND IS DETERMINED BY THE SECRETARY UNDER § 5-1804 OF THIS SUBTITLE TO BE AN EMPLOYER ELIGIBLE FOR THE REBATE PROVIDED UNDER THIS SUBTITLE.

(F) (1). "TOTAL DIRECT COSTS OF A FILM PRODUCTION ACTIVITY" MEANS THE TOTAL OF COSTS INCURRED THAT ARE NECESSARY TO CARRY OUT A FILM PRODUCTION ACTIVITY.

(2) "TOTAL DIRECT COSTS OF A FILM PRODUCTION ACTIVITY" INCLUDE COSTS INCURRED FOR:

- (I) EMPLOYEE WAGES AND BENEFITS;
- (II) FEES FOR SERVICES;
- (III) ACQUIRING OR LEASING REAL PROPERTY OR TANGIBLE OR INTANGIBLE PERSONAL PROPERTY; OR
- (IV) ANY OTHER EXPENSE NECESSARY TO CARRY OUT A FILM PRODUCTION ACTIVITY.

5-1802.

IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE REBATE PROVIDED UNDER THIS SUBTITLE IS FOR THE PURPOSE OF INCREASING FILM PRODUCTION ACTIVITY CARRIED OUT IN THE STATE, BRINGING ECONOMIC BENEFITS TO THE