

Vermont House Ways and Means Draft (dr req 19-1377 – draft 1.1)  
4/23/2019 – PGG – 12:16 PM. Apportionment – Market Based  
Sourcing

Insert a new number (3) on page 4 between lines 14 & 15  
renumber the subsequent sections:

(3) In the case of income derived from broadcasting activities, sales are in this state if the commercial domicile of the broadcaster's business customer is in this state or if the billing address of the broadcaster's individual customer is in this state. Sales to which this subsection applies include income from advertising and licensing income from distributing film programming. For purposes of this subsection, the following definitions apply:

"Broadcaster" means a taxpayer that is a television station licensed by the Federal Communications Commission, a television broadcast network, a cable program network, or a television distribution company. The term "broadcaster" does not include a platform distribution company.

"Commercial domicile" means the principal place from which the trade or business of a business entity is directed or managed.

"Business Customer" means a person, corporation, partnership, limited liability company, or other entity, such as an advertiser or licensee, that has a direct connection or contractual relationship with the broadcaster under which revenue is derived by the broadcaster.

"Film programming" means one (1) or more performances, events, or productions (or segments of performances, events, or productions) intended to be distributed for visual and auditory perception, including but not limited to news, entertainment, sporting events, plays, stories, or other literary, commercial, educational, or artistic works.

Individual customer" means any customer who is not a business customer.

"Platform Distribution Company" means a cable service provider, a direct broadcast satellite system, an Internet content distributor, or any other distributor that directly charges viewers for access to any film programming.