

**Revenue and Taxation Interim Committee**  
**Conclusions Reached for Study Items Approved by Legislative Management Committee**

November 2015

**Background:** The Legislative Management Committee (LMC) approved nine study items for the committee. LMC asked that the committee reach, by motion and vote, one or more of the suggested conclusions (see below) for each approved study item. The committee chairs will be making a report to LMC, stating the conclusion reached by the committee and summarizing the reasons for reaching the conclusion.

**LMC Suggested Conclusions:** (1) Draft legislation; (2) Significant issue but more time is needed to develop solutions and consensus; (3) Insufficient support to study the issue further; or (4) Not recommended policy for the Legislature to address.

Study Item	Committee Conclusion
<b>Sales Tax Exemptions</b> - to study and review all sales tax exemptions.	Significant issue but more time is needed to develop solutions and consensus
<b>Corporate franchise and income taxes</b> - to study single sales factor and the economic benefits of a tax cut or repeal.	Draft legislation
<b>Centrally Assessed Taxes</b> - to study issues related to centrally assessed taxes including new growth.	Draft legislation
<b>Excise taxes</b> - to study excise taxes including the taxation of e-cigarettes.	Significant issue but more time is needed to develop solutions and consensus
<b>Sales and use tax earmarks</b> - to review earmarks and recommendations provided by the Tax Review Commission.	Significant issue but more time is needed to develop solutions and consensus
<b>Historic Preservation Credit</b> - to study whether to grant a historic preservation tax credit exemption.	Draft legislation
<b>Tax Code Changes</b> - to study simplifying the tax code, eliminating tax credits, and reducing tax rates.	Draft legislation
<b>Property Taxes and Water Rates</b> - to study whether to lower property taxes and replace the taxes with water fee increases.	Significant issue but more time is needed to develop solutions and consensus
<b>Review required committee reports</b> and make recommendations on whether to keep each report.	Draft legislation