

Revenue and Taxation Interim Committee
Outline of Potential Study Item for Additional Meeting

As mentioned in the letter, the Revenue and Taxation Interim Committee would like authorization to hold an additional meeting to further study its assigned issues and tax related business incentives. The following is an outline of a potential item that could be studied at the additional meeting.

Overarching Study Questions

- 1) What tools and data does the Revenue and Taxation Interim Committee need to effectively evaluate a tax related business incentive (income tax credits, sales and use tax exemptions, etc.) and make a recommendation to the Legislature on eliminating, modifying, or retaining the incentive?
- 2) What is the best approach and methodology for a long-term review of tax related business incentives?

Sub-questions

- 1) What's the status quo?
 - a. Current tax related business incentives
 - b. How incentives are currently evaluated
 - c. Other applicable statutes
 - d. Are current measures adequate and appropriate
- 2) What data needs to be collected and shared?
 - a. Data reported by businesses that receive incentives
 - b. Other data that is currently collected
 - c. Data that is not collected but would be useful for evaluation purposes
 - d. Obstacles that keep agencies from sharing data
 - e. Who should have access to data
 - f. Changes to statute
- 3) How should tax related incentives be evaluated?
 - a. What are the best practices for evaluating tax related business incentives
 - b. Changes to statute
- 4) What changes, if any, are needed for current statutes related to the oversight and reporting of tax related business incentives?