

**MINUTES OF THE  
HOUSE REVENUE AND TAXATION  
STANDING COMMITTEE  
Room 129 - State Capitol Building**

**February 3, 2004**

MEMBERS PRESENT:      Rep. Wayne A. Harper, Chair  
                                 Rep. Stephen D. Clark, Vice Chair  
                                 Rep. Sheryl L. Allen  
                                 Rep. Eli H. Anderson  
                                 Rep. Judy Ann Buffmire  
                                 Rep. Scott Daniels  
                                 Rep. Craig Frank  
                                 Rep. Brad Last  
                                 Rep. Susan Lawrence  
                                 Rep. Carol Spackman Moss  
                                 Rep. Darin G. Peterson  
                                 Rep. J. Morgan Philpot  
                                 Rep. Jack A. Seitz  
                                 Rep. Gordon E. Snow

MEMBERS ABSENT:

STAFF:                      Bryant Howe, Policy Analyst  
                                 Michelle Teerlink, Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Vice-Chair Clark called the meeting to order at 4:14 p.m.

**HB0240      Revenue and Taxation - Offenses and Penalties (Rep. R. Bigelow)**

Rep. Bigelow introduced the bill and explained its intent. Commissioner Pam Hendrickson, Utah State Tax Commission spoke for the bill.

**MOTION:**      Rep. Seitz moved to transmit the bill with a favorable recommendation. The motion passed unanimously with Reps. Allen and Harper absent for the vote.

**SB0042      Utah Exemption Code Amendments (Sen. D. Gladwell)**

Sen. Gladwell introduced the bill and explained its intent.

**MOTION:**      Rep. Frank moved to transmit the bill with a favorable recommendation. The motion passed unanimously with Reps. Allen and Harper absent for the vote.

**HB0239      Sexually Explicit Business and Escort Service Tax (Rep. D. Bourdeaux)**

**MOTION:** Rep. Buffmire moved to adopt the following amendments:

1. *Page 3, Lines 79 through 80:*

79            (1) A tax is imposed on a sexually explicit business equal to 10% of amounts paid  
              to or  
80            charged by the sexually explicit business for the following transactions:

2. *Page 4, Lines 97 through 98:*

97            (b) is ~~[[not]]~~ subject to ~~[[any]]~~ an agreement sales ~~[[or]]~~ and  
              use tax [collected or paid] under Chapter 12, Sales and  
98            Use Tax Act.

3. *Page 5, Lines 132 through 134:*

132            (b) (i) The monies in the fund shall be invested by the state treasurer pursuant to  
              Title 51,  
133            Chapter 7, State Money Management Act ~~[[, except that]]~~ .  
              (ii) - ~~[[all]]~~ All interest or other earnings derived  
134            from the fund monies shall be deposited in the fund.

The motion passed unanimously with Reps. Allen and Harper absent for the vote.

Rep. Bourdeaux introduced the bill and explained its intent. Dr. Larry Fox, Center Family Deedes and Kathy Ockey, Utah Department of Corrections assisted with the bill. Attorney Phil Diron and Andrew McCulloch, America Bush Companies spoke against the bill. Gayle Ruzicka, Eagle Fourm, spoke for the bill. A handout was given out.

**MOTION:** Rep. Anderson moved to transmit the bill with a favorable recommendation. The motion passed with Reps. Allen, Daniels, Frank, Lawrence, and Philpot voting in opposition.

**MOTION:** Rep. Last moved to approve the minutes of the January 30, 2004 meeting. The motion passed unanimously.

**MOTION:** Rep. Seitz moved to adjourn the meeting. The meeting adjourned at 5:25 p.m.

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Rep. Wayne A. Harper, Chair

House Revenue and Taxation Standing Committee  
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