

**MINUTES OF THE
SENATE REVENUE AND TAXATION STANDING COMMITTEE
FRIDAY, FEBRUARY 3, 2004
ROOM 131, STATE CAPITOL BUILDING**

Members Present: Sen. Curtis Bramble, Chair
Sen. Ron Allen
Sen. Gregory Bell
Sen. Leonard M. Blackham
Sen. Mike Dmitrich
Sen. David Gladwell.
Sen. Howard A. Stephenson
Sen. Michael Waddoups

Staff Present: Bryant Howe, Policy Analyst
Jeanne Wride, Committee Secretary

Public Speakers Present: Dirk Anjewierden, Utah Health Care Association
Peter Hebertson, Salt Lake County Director Ombudsman
Deb Burcombe, Utah Health Care Association
Dr. Scott Williams, Director, Utah Department of Health
Doug Springmeyer, Asst. Attorney General
Roger Tew, Utah League of Cities and Towns
Gary Crane, Layton City Attorney
Mike Jerman, Utah Taxpayers Association
Kathy Berk, Utah Division of Corporations
Boyd Black, The Church of Jesus Christ of Latter Day Saints,

Attorney

Betty Arial, Envirocare
Mark Johnson, Utah State Tax Commission

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

Chair Bramble called the meeting to order at 8:13 a.m.

APPROVAL OF MINUTES:

MOTION: Sen. Bell moved to approve the minutes of January 30th. 2004..

The motion passed unanimously with Sen. Dmitrich and Sen. Waddoups absent for the vote.

1. S.B. 128 LONG-TERM CARE FACILITIES AMENDMENTS (Sen. L. Blackham)

MOTION: Sen. Blackham moved to substitute S.B. 128 with 1st. Substitute S. B. 128.

The motion passed unanimously with Sen. Dmitrich and Sen. Waddoups absent for the vote.

Sen. Blackham presented the bill to the committee.

Dirk Anjewierden, Executive Director, Utah Health Care Association; Deb Burcombe, Utah Health Care Association, Peter Hebertson, Salt Lake County Director, Ombudsman; and Dr. Scott Williams, Director Utah Department of Health; spoke to the bill.

MOTION: Sen. Gladwell moved to pass 1st Sub. S. B. 128 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Waddoups absent for the vote.

2. **S.B. 124 PROHIBITION ON SALES AND USE TAX INCENTIVE PAYMENTS BY A MUNICIPALITY (Sen. Killpack)**

Sen. Stephenson assumed the chair.

Sen. Killpack presented the bill to the committee.

Roger Tew, Utah League of Cities and Towns; Gary Crane, Layton City Attorney; and Mike Jerman, Utah Taxpayers Association; spoke to the bill.

MOTION: Sen. Bell moved to pass S.B. 124 out of committee with a favorable recommendation.

The motion passed with Sen. Bramble, Sen. Blackham and Sen. Waddoups absent for the vote.

3. **S. B. 144 CORPORATIONS SOLE AMENDMENTS (Sen. L. Hillyard)**

Sen. Hillyard presented the bill to the committee.

Kathy Berk, Utah Division of Corporations and Boyd Black, The Church of Jesus Christ of Latter Day Saints, Attorney; spoke to the bill.

MOTION: Sen. Bell moved to pass SB 144 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Bramble, Sen. Blackham, and Sen. Waddoups absent for the vote.

Sen. Bramble assumed the chair.

4. H.B. 13 HAZARDOUS WASTE AND NONHAZARDARDOUS SOLID WASTE FEE AND TAX AMENDMENTS (Rep. E. Anderson)

Rep. Anderson presented the bill to the committee.

Betty Arial, Envirocare, spoke in favor of the bill.

MOTION: Sen. Allen moved to pass H.B. 13 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Blackham absent for the vote.

Sen. Stephenson assumed the chair.

5. S. B. 139 INDIVIDUAL INCOME TAX-NONRESIDENT INCOME AMENDMENTS (Sen. C. Bramble)

Sen. Bramble presented the bill to the committee.

MOTION: Sen. Stephenson moved to amend the bill as follows:

1. Page 1, Line 12:

12 ▶ provides and modifies definitions;

2. Page 2, Line 29:

29 59-10-116. Tax on nonresident ~~[[individual's state taxable income]]~~ individual -- Calculation --

3. Page 2, Lines 40 through 42:

40 the compensation the servicemember receives for military service if the servicemember is ~~[[=~~

41 ~~—(A) a nonresident; and~~

42 ~~—(B)]~~ serving in compliance with military orders; and

4. *Page 2, Lines 43 through 53:*

- 43 ~~(b)~~ (d) " unapportioned state ~~[[taxable income]]~~ tax " means the
product of the:
- 44 (i) difference between:
- 45 (A) a nonresident individual's ~~[(f)]~~ federal taxable income, as defined in
Section
- 46 59-10-111, with the modifications, subtractions, and adjustments provided for in
Section
- 47 59-10-114; and
- 48 (B) if the nonresident individual described in Subsection (1)(d)(i)(A) is a
49 servicemember, compensation the servicemember receives for military service if the
50 servicemember is ~~[[~~
51 ~~—(f) a nonresident; and~~
52 ~~—(H)]]~~ serving in compliance with military orders; and
53 (ii) tax rate imposed under Section 59-10-104.

5. *Page 2, Lines 54 through 57:*

- 54 (2) ~~[[(a)]]~~ Except as provided in Subsection (3), a tax is imposed ~~[[as~~
55 ~~provided in this~~
56 ~~section on the state taxable income calculated under this section of]]~~ on a
57 ~~nonresident individual~~ ~~[[~~
58 ~~—(b) The tax under this section shall be calculated by multiplying]]~~ in an
59 amount equal to the product of the nonresident
60 individual's :
61 (a) unapportioned state ~~[[taxable income by the nonresident~~
62 ~~individual's]]~~ tax; and
63 (b) state income tax percentage.

The motion passed unanimously with Sen. Blackham and Sen. Waddoups absent for the vote.

MOTION: Sen. Bramble moved to pass S. B. 134 out of committee, as amended, with a favorable recommendation.

The motion passed with Sen. Blackham and Sen. Waddoups absent for the vote.

6. H. B. 204 PUBLIC UTILITIES REVISIONS (Rep. G. Curtis)

Sen. Bramble presented the bill to the committee.

Rep. Curtis also presented the bill.

MOTION: Sen Bramble moved to pass H. B. 204 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Blackham and Sen. Waddoups absent for the vote.

MOTION: Sen. Dmitrich moved to adjourn.

The motion passed unanimously.

Chair Stephenson adjourned the meeting at 9:40 a.m.

Minutes recorded by Jeanne Wride, Committee Secretary

Sen. Curtis Bramble, Committee Chair