

**MINUTES OF THE
HOUSE REVENUE AND TAXATION
STANDING COMMITTEE
Room 445 - State Capitol, State Capitol Complex**

February 14, 2008

MEMBERS PRESENT: Rep. John Dougall, Chair
 Rep. Craig A. Frank, Vice Chair
 Rep. Roger Barrus
 Rep. Tim M. Cosgrove
 Rep. Wayne A. Harper
 Rep. Christine Johnson
 Rep. Bradley G. Last
 Rep. Roz McGee
 Rep. Carol Spackman Moss
 Rep. Merlynn T. Newbold
 Rep. Carl Wimmer

MEMBERS ABSENT: Rep. Gregory H. Hughes
 Rep. Gordon E. Snow
 Rep. Aaron Tilton

STAFF: Bryant Howe, Assistant Director
 Stewart Smith, Policy Analyst
 Rosemary Young, Secretary

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

Rep. Dougall called the meeting to order at 8:09 a.m.

MOTION: Rep. Dougall moved to approve the minutes of the February 12, 2008 meeting. The motion passed unanimously with Rep. Moss and Rep. Wimmer absent for the vote.

H.B. 183 Sales and Use Tax Amendments (*Rep. W. Harper*)

Rep. Harper introduced the bill and explained it to the committee. Jim Olsen, Utah Food Industry Association, spoke in favor of the bill. The following individuals spoke to the bill:

Bruce Jones	General Counsel, Utah Transit Authority
Lincoln Shurtz	Utah League of Cities and Towns
Michael Jensen	Salt Lake County Council, Wasatch Front Regional Council

During the discussion Rep. Dougall relinquished the chair to Rep. Frank.

MOTION: Rep. Dougall moved to hold H.B. 183 in committee. The motion passed with Rep. Harper and Rep. Newbold voting in opposition and Rep. Moss and Rep. Wimmer absent for the vote.

H.B. 360 Individual Income Tax - Long-term Care Insurance Premiums (Rep. B. Last)

MOTION: Rep. Dougall moved to amend the bill as follows:

1. *Page 17, Lines 517 through 522:*

- 517 (a) "Eligible insured individual" means:
518 (i) the claimant who is insured by long-term care insurance; or
519 (ii) the spouse of the claimant described in Subsection (1)(a)(i) if:
520 (A) the claimant files a single return jointly **under this chapter** with the
claimant's spouse **for the taxable year** ; and
521 (B) the spouse is insured under the long-term care insurance described in Subsection
522 (1)(a)(i).

2. *Page 18, Lines 535 through 548:*

- 535 (c) "Joint claimant" means:
536 (i) a husband and wife who file a single { **federal individual income tax** }
return jointly **under this chapter** for
537 the taxable year; or
538 (ii) a surviving spouse, as defined in Section 2(a), Internal Revenue Code, who files
a
539 single **federal** individual income tax return for the taxable year.
540 (d) "Long-term care insurance" is as defined in Section 31A-1-301.
541 (e) "Premium" is as defined in Section 31A-1-301.
542 (f) "Single claimant" means:
543 (i) a single individual who files a single **federal** individual income tax return for
the taxable
544 year;
545 (ii) a head of household as defined in Section 2(b), Internal Revenue Code, who files
a
546 single federal individual income tax return for the taxable year; or
547 (iii) a married individual who does not file a single federal individual income tax
return
548 jointly with that married individual's spouse for the taxable year.

The motion passed unanimously with Rep. Moss and Rep. Wimmer absent for the vote.

Rep. Last introduced the amended bill and explained it to the committee.

MOTION: Rep. Newbold moved to transmit H.B. 360 as amended with a favorable recommendation. The motion passed unanimously with Rep. Wimmer absent for the vote.

S.B. 124 Sales and Use Tax - Definitions of Permanently Attached to Real Property and Tangible Personal Property (*Sen. H. Stephenson*) (Rep. W. Harper)

Sen. Stephenson assisted by Bruce Johnson, Utah Tax Commission, introduced the bill and explained it to the committee.

MOTION: Rep. Dougall moved to transmit S.B. 124 with a favorable recommendation. The motion passed unanimously with Rep. Wimmer absent for the vote.

S.B. 135 Extending the Sales and Use Tax Exemption for Pollution Control Facilities (*Sen. W. Niederhauser*) (Rep. J. Dougall)

Rep. Dougall introduced the bill and Sen. Niederhauser explained it to the committee. Shelly Cordon-Teuscher, Tesoro, and Tom Bingham, Utah Manufacturers Association, spoke in favor of the bill.

MOTION: Rep. Cosgrove moved to transmit S.B. 135 with a favorable recommendation. The motion passed unanimously.

H.B. 333 Property Tax Revisions (*Rep. G. Froerer*)

H.B. 333 was not heard in this meeting.

S.B. 96 Multi-channel Video or Audio Service Tax Act Amendments (*Sen. W. Niederhauser*) (Rep. K. Garn)

Sen. Niederhauser introduced the bill and explained it to the committee with a handout.

MOTION: Rep. Newbold moved to transmit S.B. 96 with a favorable recommendation. The motion passed unanimously.

S.B. 64 Income Tax - Capital Gain Transactions (*Sen. W. Niederhauser*) (Rep. J. Dougall)

Sen. Niederhauser introduced the bill and explained it to the committee.

MOTION: Rep. Wimmer moved to transmit S.B. 64 with a favorable recommendation. The motion passed with Rep. Johnson and Rep. McGee voting in opposition and Rep. Barrus and Rep. Moss absent for the vote.

S.B. 31 Income Tax Amendments (*Sen. W. Niederhauser*) (Rep. J. Dougall)

After distributing a handout, Sen. Niederhauser introduced the bill and explained it to the committee.

MOTION: Rep. McGee moved to transmit S.B. 31 with a favorable recommendation. The motion passed unanimously with Rep. Barrus and Rep. Moss absent for the vote.

At the request of the chair, Bruce Johnson, Utah Tax Commission, reported to the committee the actions of the Commission in revising individual income tax withholding tables to accurately reflect recent changes in the individual income tax code. The new tables are now out on the web.

MOTION: Rep. Newbold moved to adjourn. The motion passed unanimously with Rep. Barrus, Rep. McGee, and Rep. Moss absent for the vote.

Rep. Frank adjourned the meeting at 9:46 a.m.

Rep. John Dougall, Chair