

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

March 2, 2011

MEMBERS PRESENT: Rep. Patrick Painter, Chair
Rep. Carl Wimmer, Vice Chair
Rep. Joel Briscoe
Rep. Mel Brown
Rep. David Butterfield
Rep. David Clark
Rep. Tim Cosgrove
Rep. John Dougall
Rep. Susan Duckworth
Rep. Julie Fisher
Rep. Gage Froerer
Rep. Wayne Harper
Rep. Eric Hutchings
Rep. Brian King
Rep. Merlynn Newbold
Rep. Jim Nielson

STAFF PRESENT: Richard North, Policy Analyst
Tamara Schaff, Secretary

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

Rep. Painter called the meeting to order at 7:40 a.m.

MOTION: Rep. Wimmer moved to approve the minutes of the February 28, 2011 meeting. The motion passed unanimously, with Rep. Clark, Rep. Cosgrove, Rep. Dougall and Rep. King absent for the vote.

H.B. 282 Sales and Use Tax and Income Tax Amendments (*Rep. K. McIff*)

Rep. McIff distributed handouts and explained the bill to the committee.

MOTION: Rep. Newbold moved to substitute H.B. 282 with 1st Substitute H.B. 282. The motion passed unanimously, with Rep. Briscoe, Rep. Brown, Rep. Clark, Rep. Cosgrove, Rep. Dougall, Rep. Duckworth, Rep. Harper and Rep. Wimmer absent for

the vote.

Spoke to the bill: Roger Tew, Utah League of Cities and Towns
Allision Rowland, Voices for Utah Children

Spoke in opposition to the bill: Mike Evans, Utahns Against Hunger
Ronald Mortensen, Citizens for Tax Fairness
Steve Erickson, Crossroads Urban Center
Art Sutherland, Coalition of Religious Communitites

MOTION: Rep. Froerer moved to pass H.B. 282 with a favorable recommendation.

SUBSTITUTE

MOTION: Rep. Nielson moved to hold H.B. 282. The motion passed, with Rep. Briscoe, Rep. Cosgrove, Rep. Froerer, Rep. Hutchings, Rep. Newbold and Rep. Painter voting in opposition to the motion. Voting in favor of the motion were Rep. Butterfield, Rep. Clark, Rep. Dougall, Rep. Duckworth, Rep. Fisher, Rep. Nielson and Rep. Wimmer. Rep. Brown, Rep. Harper and Rep. King were absent for the vote.

H.B. 436 Life Science Development Act (Rep. D. Clark)

Rep. Clark distributed a handout and explained the bill to the committee.

Spoke in favor of the bill: Kelvyn Cullimore, Dynatronics Corporation
Rich McKeown, Leavitt Partners

MOTION: Rep. Newbold moved to pass H.B. 436 with a favorable recommendation. The motion passed unanimously, with Rep. Dougall and Rep. King absent for the vote.

H.B. 277 Sales and Use Tax Revisions (Rep. W. Harper)

Rep. Harper explained the bill to the committee.

Spoke to the bill: Bruce Johnson, Utah State Tax Commission

MOTION: Rep. Fisher moved to pass H.B. 277 with a favorable recommendation. The motion passed unanimously, with Rep. Cosgrove, Rep. Dougall and rep. King absent for the vote.

1st Sub. S.B. 21 Tax Revisions (Sen. W. Niederhauser) (Rep. W. Harper)

Rep. Niederhauser explained the bill to the committee.

MOTION: Rep. Harper moved to substitute 1st Substitute S.B. 21 with 2nd Substitute S.B. 21. The motion passed unanimously, with Rep. Cosgrove, Rep. Dougall and Rep. King absent for the vote.

Spoke in favor of the bill: Royce Van Tassell, Utah Taxpayers Association
Bruce Johnson, Utah State Tax Commission

MOTION: Rep. Fisher moved to pass S.B.21 2nd Substitute with a favorable recommendation. The motion passed unanimously, with Rep. Brown, Rep. Cosgrove, Rep. Dougall, Rep. Harper, Rep. King and Rep. Wimmer absent for the vote.

Rep. Painter relinquished the chair to Rep. Clark.

1st Sub. S.B. 157 Property Tax Revisions (Sen. C. Bramble) (Rep. P. Painter)

Rep. Painter distributed a handout to the committee, assisted by Shelley Teusher.

Rep. Newbold moved to amend the bill as follows:

1. *Page 2, Line 30*
Senate 3rd Reading Amendments
2-24-2011:
30 (1) ~~(a)~~ (i) The commission may enter into an agreement with a commercial or industrial

2. *Page 2, Line 33*
Senate 3rd Reading Amendments
2-24-2011:
33 ~~{(a)}~~ (i) the payment schedule is based on an accepted valuation methodology that

3. *Page 2, Line 36*
Senate 3rd Reading Amendments
2-24-2011:
36 ~~{(b)}~~ (ii) the agreement includes a provision making the initial equal

payment schedule

4. *Page 2, Lines 40 through 41*
Senate 3rd Reading Amendments
2-24-2011:

40 ~~{(c)}~~ (iii) the commission, the taxpayer, and each affected
 ~~{county}~~ taxing entity approve the agreement; and
41 ~~{(d)}~~ (iv) the total amount the taxpayer pays under the agreement is no less
 than the amount

5. *Page 2, Line 42*
Senate 3rd Reading Amendments
2-24-2011:

42 the taxpayer would have paid in the absence of the agreement.

(b) A taxing entity may not approve an agreement under this section on behalf of another taxing entity.

The motion passed unanimously, with Rep. Brown, Rep. Dougall, Rep. Harper, Rep. King and Rep. Wimmer absent for the vote.

Rep. Nielson moved to amend the bill as follows:

6. Page 2, Line 32: After "exceed" delete "ten" and insert "20"

The motion passed, with Rep. Fisher and Rep. Newbold voting in opposition. Rep. Brown, Rep. Dougall, Rep. Harper and Rep. King were absent for the vote.

Spoke in opposition to the bill: Kevin Jacobs, Deputy Salt Lake County Assessor

MOTION: Rep. Painter moved to pass 1st Substitute amended S.B. 157 with a favorable recommendation. The motion passed unanimously, with Rep. Brown, Rep. Harper and Rep. King absent for the vote.

Rep. Clark relinquished the chair to Rep. Wimmer.

S.B. 132 Sales and Use Tax Exemption for an Energy Efficient Stove or Energy Efficient Stove Fuel (*Sen. G. Davis*) (Rep. M. Brown)

MOTION: Rep. Dougall moved to table S.B. 132. The motion passed with Rep. Cosgrove and Rep. Hutchings voting in opposition. Rep. Briscoe, Rep. Brown, Rep. Harper and Rep. King absent for the vote.

Rep. Painter resumed the chair.

MOTION: Rep. Dougall moved to adjourn. The motion passed unanimously, with Rep. Brown, Rep. Harper and Rep. King absent for the vote.

Rep. Painter adjourned the meeting at 9:25 a.m.

Rep. Patrick Painter, Chair