

**MINUTES OF THE  
HOUSE REVENUE AND TAXATION  
STANDING COMMITTEE**

Room 445, State Capitol

March 4, 2014

**Members Present:** Rep. Ryan Wilcox, Chair  
Rep. Jim Nielson, Vice Chair  
Rep. Jake Anderegg  
Rep. Joel Briscoe  
Rep. Mel Brown  
Rep. Tim Cosgrove  
Rep. Steve Eliason  
Rep. Gage Froerer  
Rep. Francis Gibson  
Rep. Eric Hutchings  
Rep. Brian King  
Rep. John Knotwell  
Rep. Kay McIff  
Rep. Doug Sagers  
Rep. Jon Stanard  
Rep. Earl Tanner

**Staff Present:** Mr. Leif G. Elder, Policy Analyst  
Ms. An Bradshaw, Secretary

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

Chair Wilcox called the meeting to order at 4:09 p.m.

**MOTION:** Rep. Knotwell moved to approve the minutes of the February 26, 2014 and March 3, 2014 meetings. The motion passed unanimously with Rep. Anderegg, Rep. Brown, and Rep. Froerer absent for the vote.

Vice Chair Nielson assumed the chair.

**H.B. 51**      **State Tax Commission Report on Tax Provisions** (*Rep. J. Briscoe*)

**MOTION:** Rep. Briscoe moved that H.B. 51 be replaced with 2nd Sub. H.B. 51. The motion passed unanimously with Rep. Anderegg, Rep. Brown, Rep. Eliason, Rep. Gibson, Rep. Knotwell, Rep. Stanard, and Rep. Wilcox absent for the vote.

Rep. Briscoe explained the bill to the committee and provided a handout, "HB51: State Tax Commission Report on Tax Provisions."

Spoke to the bill:      Bruce Johnson, Utah Tax Commission

**MOTION:** Rep. King moved to pass out 2nd Sub. H.B. 51 favorably. The motion failed with Rep. Anderegg, Rep. Froerer, Rep. Gibson, Rep. Knotwell, Rep. Sagers, and Rep. Nielson voting in opposition and Rep. Brown, Rep. Eliason, Rep. Stanard, and Rep. Wilcox absent for the vote.

**H.B. 285      Alcoholic Beverage Service Amendments (*Rep. K. Powell*)**

**MOTION:** Rep. Hutchings moved to replace H.B. 285 with 3rd Sub. H.B. 285. The motion passed with Rep. Anderegg voting in opposition and Rep. Brown, Rep. Eliason, Rep. Stanard, and Rep. Wilcox absent for the vote.

Rep. Powell explained the bill to the committee assisted by Joel LaSalle, Salt Lake Area Restaurant Association, Tai Biesinger, Pentad Properties, and Melva Sine, Utah Restaurant Association. A handout, "Alcohol Use in Utah," was provided.

Chair Wilcox resumed the chair.

Spoke for the bill:                    Hans Fuegi, Utah Restaurant Association  
   Connor Boyack, Libertas Institute  
   Cameron Diehl, Utah League of Cities and Towns  
   Nan Anderson, Utah Tourism Coalition  
   Steve Barth, SB Strategies  
   Dan Deuel, Weber 9/12 Project  
   Heather Deuel, citizen

Spoke against the bill:                Stan Rasmussen, Sutherland Institute  
   Gordon Lindsay, Utah County SMART Coalition  
   Laura Bunker, United Families International  
   Jaynie Brown, citizen

**MOTION:** Rep. Froerer moved to pass out 3rd Sub. H.B. 285 favorably. The motion passed with Rep. Brown, Rep. Eliason, Rep. Hutchings, Rep. McIff, Rep. Sagers, Rep. Stanard, and Rep. Tanner voting in opposition and Rep. Anderegg absent for the vote.

Rep. Gibson assumed the chair.

**H.B. 430      Revisions to Tax (*Rep. R. Wilcox*)**

Rep. Wilcox explained the bill to the committee with the assistance of Rep. Nielson and provided a handout, "H.B. 430 - Revisions to Tax."

Spoke to the bill:      Carlos Braceras, Utah Department of Transportation  
                                 Jay Blaine, Utah Education Association

**MOTION:**      Rep. Wilcox moved to pass the bill out favorably. The motion passed with Rep. Briscoe, Rep. Hutchings, Rep. King, Rep. McIff, Rep. Sagers, and Rep. Tanner voting in opposition and Rep. Anderegg, Rep. Brown, and Rep. Froerer absent for the vote.

Chair Wilcox resumed the chair.

**S.B. 176      Local Funding for Rural Health Care Amendments (*Sen. R. Okerlund*)  
(*Rep. J. Westwood*)**

Rep. Westwood explained the bill to the committee with the assistance of Adam Trupp, Utah Association of Counties.

**MOTION:**      Rep. Gibson moved to pass the bill out favorably. The motion passed unanimously with Rep. Anderegg, Rep. Brown, Rep. Froerer, and Rep. Nielson absent for the vote.

**MOTION:**      Rep. Knotwell moved to place S.B. 176 on the Consent Calendar. The motion passed unanimously with Rep. Anderegg, Rep. Brown, Rep. Froerer, and Rep. Nielson absent for the vote.

**S.B. 206      Tax, Fee, or Charge Offense and Penalty Amendments (*Sen. C. Bramble*)**

Sen. Bramble explained the bill to the committee with the assistance of Wade Fairway, Utah Office of the Attorney General.

**MOTION:**      Rep. Wilcox moved to amend the bill as follows:

1. *Page 11, Lines 318 through 323*  
*Senate Committee Amendments*  
*2-25-2014:*

318            (c) (i) [~~A person who, with intent to evade a tax, fee, or charge or requirement of this~~  
319            ~~title or any lawful requirement of the commission;~~] With respect to a tax, fee, or charge, a

320 person who knowingly and intentionally ~~§~~→ , and without {~~a~~} an objective  
good faith basis, ~~←§~~ fails to make,  
320a render, sign, or verify a return ~~§~~→ within the time required by law ~~←§~~ or to  
321 supply information within the time required by law, or who makes, renders, signs, or  
verifies a  
322 false or fraudulent return or statement, or who supplies false or fraudulent information, is  
guilty  
323 of a third degree felony.

2. *Page 13, Line 395 through Page 14, Line 401*  
*Senate Committee Amendments*  
*2-25-2014:*

395 (c) (i) [~~Any person who, with intent to evade any tax, fee, or charge as defined in~~  
396 ~~Section 59-1-401 or requirement of Title 59, Revenue and Taxation, or any lawful~~  
~~requirement~~  
397 ~~of the State Tax Commission,]~~ With respect to a tax, fee, or charge as defined in Section  
398 59-1-401, any person who knowingly and intentionally ~~§~~→ , and without {~~a~~} an  
objective good faith basis, ~~←§~~  
398a fails to make, render, sign, or verify any  
399 return ~~§~~→ within the time required by law ~~←§~~ or to supply any information within the  
time  
399a required by law, or who makes, renders,  
400 signs, or verifies any false or fraudulent return or statement, or who supplies any false or  
401 fraudulent information, is guilty of a third degree felony.

**SUBSTITUTE MOTION:** Rep. McIff moved to amend the bill as follows:

1. *Page 11, Lines 318 through 323*  
*Senate Committee Amendments*  
*2-25-2014:*

318 (c) (i) [~~A person who, with intent to evade a tax, fee, or charge or requirement of this~~  
319 ~~title or any lawful requirement of the commission,]~~ With respect to a tax, fee, or charge, a  
320 person who knowingly and intentionally ~~§~~→ , and without a reasonable good faith  
basis, ~~←§~~ fails to make,  
320a render, sign, or verify a return ~~§~~→ within the time required by law ~~←§~~ or to  
321 supply information within the time required by law, or who makes, renders, signs, or

verifies a  
322 false or fraudulent return or statement, or who supplies false or fraudulent information, is  
guilty  
323 of a third degree felony.

2. *Page 13, Line 395 through Page 14, Line 401*  
*Senate Committee Amendments*  
*2-25-2014:*

395 (c) (i) [~~Any person who, with intent to evade any tax, fee, or charge as defined in~~  
396 ~~Section 59-1-401 or requirement of Title 59, Revenue and Taxation, or any lawful~~  
~~requirement~~  
397 ~~of the State Tax Commission,]~~ With respect to a tax, fee, or charge as defined in Section  
398 59-1-401, any person who knowingly and intentionally ~~§→~~ , and without a  
reasonable good faith basis, ~~←§~~  
398a fails to make, render, sign, or verify any  
399 return ~~§→~~ within the time required by law ~~←§~~ or to supply any information within the  
time  
399a required by law, or who makes, renders,  
400 signs, or verifies any false or fraudulent return or statement, or who supplies any false or  
401 fraudulent information, is guilty of a third degree felony.

The substitute motion passed unanimously with Rep. Anderegg, Rep. Brown, Rep. Froerer, and Rep. Nielson absent for the vote.

Spoke for the bill: Bruce Johnson, Utah Tax Commission

**MOTION:** Rep. Gibson moved to pass the bill out favorably as amended. The motion passed unanimously with Rep. Anderegg, Rep. Brown, and Rep. Froerer absent for the vote.

**MOTION:** Rep. Wilcox moved to place S.B. 206 on the Consent Calendar. The motion passed unanimously with Rep. Anderegg, Rep. Brown, and Rep. Froerer absent for the vote.

**S.B. 207 Corporate Franchise and Income Tax Amendments (Sen. C. Bramble)**

Sen. Bramble explained the bill to the committee.

**MOTION:** Rep. Gibson moved to pass the bill out favorably. The motion passed unanimously with Rep. Anderegg, Rep. Brown, and Rep. Froerer absent for the vote.

**MOTION:** Rep. Gibson moved to place S.B. 207 on the Consent Calendar. The motion passed unanimously with Rep. Anderegg, Rep. Brown, and Rep. Froerer absent for the vote.

**S.B. 214      Multistate Tax Compact Amendments (*Sen. C. Bramble*)**

Sen. Bramble explained the bill to the committee.

Spoke for the bill:      Bruce Johnson, Utah Tax Commission

**MOTION:** Rep. King moved to pass the bill out favorably. The motion passed unanimously with Rep. Anderegg, Rep. Brown, and Rep. Froerer absent for the vote.

**MOTION:** Rep. Nielson moved to place S.B. 214 on the Consent Calendar. The motion passed unanimously with Rep. Anderegg, Rep. Brown, and Rep. Froerer absent for the vote.

**MOTION:** Rep. Knotwell moved to adjourn the meeting. The motion passed unanimously with Rep. Anderegg, Rep. Brown, and Rep. Froerer absent for the vote.

Chair Wilcox adjourned the meeting at 6:47 p.m.

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**Ryan D. Wilcox, chair**