

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

Thursday , January 25, 2018 • 2:00 p.m. • 250 State Capitol

Members Present:

Sen. Curtis S. Bramble
Sen. Jim Dabakis
Sen. Lincoln Fillmore
Sen. Wayne A. Harper
Sen. Daniel Hemmert
Sen. Deidre M. Henderson

Members Absent:

Sen. Howard A. Stephenson, Chair
Sen. Gene Davis

Staff Present:

Mr. Leif G. Elder, Policy Analyst
Ms. Nancy Skidmore, Committee Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

Acting Chair Dabakis called the meeting to order at 2:30 p.m.

1 . S.B. 72 Business Income Tax Modifications (*Harper, W.*)

Sen. Harper explained the bill.

MOTION: Sen. Harper moved to amend S.B. 72 with Amendment #1. The motion passed with a vote of 4 - 0
- 4 .

Amendment 1
S.B. 72

1 Page 1, Lines 15 through 18

15 ▶ requires that, for a taxable year beginning on or after January 1, ~~{-2020-}~~ 2019, a taxpayer
16 that apportioned business income using the single sales factor method in the
17 previous taxable year continue to use the single sales factor method of
18 apportionment in subsequent taxable years; and

2 Page 1, Lines 24 through 25

24 Other Special Clauses:

25 { ~~This bill provides a special effective date.~~ }
This bill provides retrospective operation.

3 Page 6, Lines 159 through 163

159 (2) (a) For the taxable year beginning on or after January 1, ~~{-2019-}~~ 2018, but beginning on or
160 before December 31, ~~{-2019-}~~ 2018, a taxpayer is an optional apportionment taxpayer if the average
161 calculated in accordance with Subsection (2)(c) is greater than .50.

162 (b) For a taxable year beginning on or after January 1, ~~{-2020-}~~ 2019, a taxpayer is an optional
163 apportionment taxpayer if:

4 Page 10, Lines 280 through 281

280 Section 5. { ~~Effective date.~~ } **Retrospective operation.**

281 { ~~This bill takes effect for a taxable year beginning on or after January 1, 2019.~~ } **This bill has
retrospective operation for a taxable year beginning on or after January 1, 2018.**

Yeas-4

Sen. C. Bramble
Sen. J. Dabakis
Sen. L. Fillmore

Nays-0

Absent-4

Sen. G. Davis
Sen. D. Hemmert
Sen. D. Henderson

Sen. W. Harper

Sen. H. Stephenson

Mr. Steve Young, Lobbyist, Utah Taxpayers Association, spoke in favor of the bill.

MOTION: Sen. Bramble moved to pass S.B. 72 out favorably. The motion passed with a vote of 4 - 0 - 4 .

Yeas-4

Nays-0

Absent-4

Sen. C. Bramble
Sen. J. Dabakis
Sen. L. Fillmore
Sen. W. Harper

Sen. G. Davis
Sen. D. Hemmert
Sen. D. Henderson
Sen. H. Stephenson

2 . S.B. 77 Tax Administration Amendments (*Bramble, C.*)

Sen. Bramble explained the bill.

MOTION: Sen. Harper moved to pass S.B. 77 out favorably. The motion passed with a vote of 5 - 0 - 3 .

Yeas-5

Nays-0

Absent-3

Sen. C. Bramble
Sen. J. Dabakis
Sen. L. Fillmore
Sen. W. Harper
Sen. D. Hemmert

Sen. G. Davis
Sen. D. Henderson
Sen. H. Stephenson

3 . S.B. 101 Tax Amendments (*Fillmore, L.*)

Sen. Fillmore explained the bill.

MOTION: Sen. Fillmore moved to pass S.B. 101 out favorably. The motion passed with a vote of 6 - 0 - 2 .

Yeas-6

Nays-0

Absent-2

Sen. C. Bramble
Sen. J. Dabakis
Sen. L. Fillmore
Sen. W. Harper
Sen. D. Hemmert
Sen. D. Henderson

Sen. G. Davis
Sen. H. Stephenson

4 . S.B. 76 Commercial Property Tax Amendments (*Hemmert, D.*)

MOTION: Sen. Hemmert moved to replace S.B. 76 with 1st Substitute S.B. 76. The motion passed with a vote of 6 - 0 - 2 .

Yeas-6

Sen. C. Bramble
Sen. J. Dabakis
Sen. L. Fillmore
Sen. W. Harper
Sen. D. Hemmert
Sen. D. Henderson

Nays-0

Absent-2

Sen. G. Davis
Sen. H. Stephenson

Sen. Hemmert explained the bill.

Mr. Lincoln Shurtz, Utah Association of Counties, spoke in favor of the bill.

MOTION: Sen. Fillmore moved to pass 1st Substitute S.B. 76 out favorably. The motion passed with a vote of 6 - 0 - 2 .

Yeas-6

Sen. C. Bramble
Sen. J. Dabakis
Sen. L. Fillmore
Sen. W. Harper
Sen. D. Hemmert
Sen. D. Henderson

Nays-0

Absent-2

Sen. G. Davis
Sen. H. Stephenson

5 . S.J.R. 2 Proposal to Amend Utah Constitution - Property Tax Exemptions (*Hemmert, D.*)

Sen. Hemmer explained the bill.

MOTION: Sen. Hemmert moved to pass S.J.R. 2 out favorably. The motion passed with a vote of 6 - 0 - 2 .

Yeas-6

Sen. C. Bramble
Sen. J. Dabakis
Sen. L. Fillmore
Sen. W. Harper
Sen. D. Hemmert

Nays-0

Absent-2

Sen. G. Davis
Sen. H. Stephenson

Sen. D. Henderson

MOTION: Sen. Bramble moved to adjourn. The motion passed with a vote of 6 - 0 - 2 .

Yeas-6

Sen. C. Bramble
Sen. J. Dabakis
Sen. L. Fillmore
Sen. W. Harper
Sen. D. Hemmert
Sen. D. Henderson

Nays-0

Absent-2

Sen. G. Davis
Sen. H. Stephenson

Acting Chair Dabakis adjourned the meeting at 2:56 p.m.

_____ Sen. Jim Dabakis, Chair