



MINUTES

REVENUE AND TAXATION INTERIM COMMITTEE

LEGISLATURE

Wednesday, August 19, 2020 | 9:00 a.m. | 445 State Capitol

Members Present:

- Sen. Lincoln Fillmore, Chair
- Rep. Robert M. Spendlove, Chair
- Sen. Curtis S. Bramble
- Sen. Gene Davis
- Sen. Daniel Hemmert
- Sen. Deidre M. Henderson
- Rep. Stewart E. Barlow
- Rep. Joel K. Briscoe
- Rep. Brad M. Daw
- Rep. Steve Eliason
- Rep. Francis D. Gibson
- Rep. Bradley G. Last
- Rep. Jefferson Moss

- Rep. Val L. Peterson
- Rep. Douglas V. Sagers
- Rep. Rex P. Shipp
- Rep. Andrew Stoddard
- Rep. Norman K. Thurston

Members Absent:

- Rep. Tim Quinn

Staff Present:

- Ryan M. Hunter, Policy Analyst
- Alex R. Janak, Policy Analyst
- Andrea Valenti Arthur, Associate General Counsel
- Christine R. Gilbert, Associate General Counsel
- Diana Rodriguez, Administrative Assistant

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

1 . Committee Business

MOTION: Sen. Davis moved to approve the minutes. The motion passed with a vote of 14 - 0 - 5.

Yeas-14

- Rep. S. Barlow
- Sen. C. Bramble
- Rep. J. Briscoe
- Sen. G. Davis
- Rep. B. Daw
- Rep. S. Eliason
- Sen. L. Fillmore
- Rep. F. Gibson
- Rep. J. Moss
- Rep. V. Peterson
- Rep. D. Sagers
- Rep. R. Shipp
- Rep. R. Spendlove
- Rep. N. Thurston

Nays-0

Absent-5

- Sen. D. Hemmert
- Sen. D. Henderson
- Rep. B. Last
- Rep. T. Quinn
- Rep. A. Stoddard

2 . Sixth Special Session Legislation: "Financial Report Date Amendment"

Sen. Bramble presented S.B. 6002 - Financial Report Date Amendment.

MOTION: Sen. Bramble moved to recommend S.B. 6002 - Financial Report Date Amendment. The motion passed with a vote of 12 - 0 - 7.

Yeas-12

Rep. S. Barlow
Rep. J. Briscoe
Sen. G. Davis
Rep. B. Daw
Rep. S. Eliason
Rep. F. Gibson
Rep. J. Moss
Rep. V. Peterson
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. N. Thurston

Nays-0

Absent-7

Sen. C. Bramble
Sen. L. Fillmore
Sen. D. Hemmert
Sen. D. Henderson
Rep. B. Last
Rep. T. Quinn
Rep. A. Stoddard

3 . Sixth Special Session Legislation: "Income Tax Amendments"

Sen. Harper presented S.B. 6005 - Income Tax Amendments.

Sen. Harper answered questions from the committee.

MOTION: Sen. Bramble moved to make a favorable recommendation for the technical change to the bill. The motion passed with a vote of 14 - 0 - 5.

Yeas-14

Rep. S. Barlow
Sen. C. Bramble
Rep. J. Briscoe
Sen. G. Davis
Rep. B. Daw
Rep. S. Eliason
Sen. L. Fillmore
Rep. F. Gibson
Rep. J. Moss
Rep. V. Peterson
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. N. Thurston

Nays-0

Absent-5

Sen. D. Hemmert
Sen. D. Henderson
Rep. B. Last
Rep. T. Quinn
Rep. A. Stoddard

4 . Social Security and Military Retirement Tax Exemption

Ryan Hunter, Policy Analyst, Office of Legislative Research and General Counsel, gave an overview of the issue.

Sen. Harper elaborated on the tax treatment of social security and military retirement income.

Sen. Harper answered questions from the committee.

John L. Valentine, Chair, State Tax Commission, spoke to the issue.

5 . Net Operating Loss

Alex Janak, Policy Analyst, Office of Legislative Research and General Counsel, gave an overview of the issue.

John L. Valentine, Chair, State Tax Commission, and Rebecca Rockwell, Commissioner, State Tax Commission, discussed the three main issues to consider addressing.

Turned to committee for questions and discussion.

6 . Rooftop Solar Panel Impact on Property Tax Valuation

Alex Janak, Policy Analyst, Office of Legislative Research and General Counsel, introduced the issue.

John Ulibarri, Assessor, Weber County, discussed how solar panels are currently being classified by the State Tax Commission.

Issue moved to the committee for questions and discussion.

Ryan Evans spoke to the issue.

Committee asked additional questions.

SUBSTITUTE MOTION: Sen. Bramble moved to open bill files on Rooftop Solar Panels and Net Operating Losses. The substitute motion passed with a vote of 16 - 0 - 3.

Yeas-16

- Rep. S. Barlow
- Sen. C. Bramble
- Rep. J. Briscoe
- Sen. G. Davis
- Rep. B. Daw
- Rep. S. Eliason
- Sen. L. Fillmore
- Rep. F. Gibson
- Sen. D. Hemmert
- Sen. D. Henderson
- Rep. V. Peterson
- Rep. D. Sagers
- Rep. R. Shipp
- Rep. R. Spendlove
- Rep. A. Stoddard
- Rep. N. Thurston

Nays-0

Absent-3

- Rep. B. Last
- Rep. J. Moss
- Rep. T. Quinn

7 . Circuit Breaker Tax Relief

Sen. Davis presented on the tax relief mechanism known as "Circuit Breaker" and reviewed the policies the committee had recommended last interim which were initially included in S.B. 35 - Circuit Breaker Amendments.

Rebecca Rockwell, Commissioner, State Tax Commission, spoke to the issue and responded to questions from the committee.

Issue moved to committee for questions and discussion.

Wayne Cushing, Treasurer, Salt Lake County, spoke to the issue.

MOTION: Sen. Davis moved to open a bill file to make changes to the current circuit breaker provisions. The motion passed with a vote of 13 - 0 - 6.

Yeas-13

Rep. S. Barlow
Sen. C. Bramble
Rep. J. Briscoe
Sen. G. Davis
Sen. L. Fillmore
Rep. F. Gibson
Sen. D. Hemmert
Sen. D. Henderson
Rep. V. Peterson
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard

Nays-0

Absent-6

Rep. B. Daw
Rep. S. Eliason
Rep. B. Last
Rep. J. Moss
Rep. T. Quinn
Rep. N. Thurston

8 . Property Tax Relief Calculation when Ownership Changes After the Lien Date

Rebecca Rockwell, Commissioner, State Tax Commission, spoke to the issue and recommended there be uniform language to clarify what occurs when a person's property changes ownership.

9 . Waiver/Reduction of Penalty Imposed under Section 59-2-307

John L. Valentine, Chair, State Tax Commission, spoke to the issue and made recommendations to the item.

10 . Harmonizing Deadlines for Appeals Relating to Part-Year Residential Property

Rebecca Rockwell, Commissioner, State Tax Commission, discusses exemption and made recommendations to the issue.

MOTION: Sen. Bramble moved to open committee bill files on agenda items #9, #10, and #11. The motion passed with a vote of 15 - 0 - 4.

Yeas-15

Rep. S. Barlow
Sen. C. Bramble
Rep. J. Briscoe
Sen. G. Davis
Rep. B. Daw
Sen. L. Fillmore
Rep. F. Gibson
Sen. D. Hemmert
Sen. D. Henderson
Rep. V. Peterson
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. N. Thurston

Nays-0

Absent-4

Rep. S. Eliason
Rep. B. Last
Rep. J. Moss
Rep. T. Quinn

11 . Technical Tax Code Changes

Christine R. Gilbert, Associate General Counsel, Office of Legislative Research and General Counsel, discussed the recommendation of opening the bill to address the technical fixes that have been identified.

12 . Other Items/Adjourn

MOTION: Chair Spendlove moved to adjourn. The motion passed with a vote of 14 - 0 - 5.

Yeas-14

Rep. S. Barlow
Sen. C. Bramble
Rep. J. Briscoe
Sen. G. Davis
Sen. L. Fillmore
Rep. F. Gibson
Sen. D. Hemmert
Sen. D. Henderson
Rep. V. Peterson
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. N. Thurston

Nays-0

Absent-5

Rep. B. Daw
Rep. S. Eliason
Rep. B. Last
Rep. J. Moss
Rep. T. Quinn

Chair Spendlove adjourned the meeting.