



DRAFT MINUTES

REVENUE AND TAXATION INTERIM COMMITTEE

LEGISLATURE

Wednesday, September 16, 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. Bradley G. Last
Rep. Jefferson Moss
Rep. Val L. Peterson

Rep. Tim Quinn
Rep. Douglas V. Sagers
Rep. Rex P. Shipp
Rep. Andrew Stoddard
Rep. Norman K. Thurston

Members Absent:

Rep. Francis D. Gibson

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: Rep. Daw moved to approve the minutes of the August 19th meeting. The motion passed with a vote of 13 - 0 - 6.

Yeas-13

Sen. C. Bramble
Rep. J. Briscoe
Sen. G. Davis
Rep. B. Daw
Sen. L. Fillmore
Rep. J. Moss
Rep. V. Peterson
Rep. T. Quinn
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. N. Thurston

Nays-0

Absent-6

Rep. S. Barlow
Rep. S. Eliason
Rep. F. Gibson
Sen. D. Hemmert
Sen. D. Henderson
Rep. B. Last

2 . Draft Legislation 2021FL0513 "Property Tax Revisions"

Christine R. Gilbert, Associate General Counsel, Office of Legislative Research and General Counsel, discussed that the drafted legislation would address technical fixes.

Rebecca Rockwell, Commissioner, State Tax Commission, spoke in favor of the drafted legislative and explained that it would resolve issue regarding property tax penalty waivers.

Issue turned to the committee for questions.



MOTION: Sen. Bramble moved to make a favorable recommendation of Draft Legislation - 2021FL0513 "Property Tax Revisions" 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
- Sen. D. Hemmert
- Rep. J. Moss
- Rep. V. Peterson
- Rep. T. Quinn
- Rep. D. Sagers
- Rep. R. Shipp
- Rep. R. Spendlove
- Rep. A. Stoddard
- Rep. N. Thurston

Nays-0

Absent-4

- Rep. S. Eliason
- Rep. F. Gibson
- Sen. D. Henderson
- Rep. B. Last

3 . Taxing Consumption vs. Taxing Productivity

Gary Cornia spoke to the issue.

Issue moved to the committee for questions and discussion.

Steve Young, State and Local Tax Attorney, Holland and Hart, gave an overview of consumption tax in the country.

Committee made comments and questions.

Jonathan Ball, Director, Office of Legislative Fiscal Analyst, made additional comments to the issue.

Issue moved to the committee for questions and discussion.

Gary Cornia, made suggestions regarding tax modeling.

Committee asked additional questions.

Matthew Weinstein, State Priorities Partnership Director, Voices for Utah Children, spoke to the issue.

Rusty Cannon, Vice President, Utah Taxpayers Association, spoke to the issue.

4 . Sales Tax Exemptions

Ryan Hunter, Policy Analyst, Office of Legislative Research and General Counsel, gave a summary of the sales tax exemptions currently offered by the state.

Issue moved to the committee for questions and discussion.

5 . Local Option Sales Taxes

Rep. Spendlove spoke to the issue.

Roger Tew, Senior Policy Advisor, Utah League of Cities and Towns, gave an overview of local option sales taxes.



Issue moved to the committee for questions and discussion.

Lincoln Shurtz, Utah Associate of Counties, gave additional information about the issue.

Committee asked additional questions.

Kris Campbell, spoke to the issue.

6 . Rooftop Solar Panel Impact on Property Tax Valuation

Alex Janak, Policy Analyst, Office of Legislative Research and General Counsel, introduced the issue and discussed current treatment of rooftop solar panels.

Ryan Evans, President, Utah Solar Energy Association, gave an overview of how solar panels are assessed and classified and responded to a question from Rep. Thurston.

Nick Ball, Indirect Tax Manager, Vivint Solar, discussed energy systems and their taxation.

7 . Disclosure of Tax Delinquency to DABC & DOPL

John L. Valentine, Chair, State Tax Commission, spoke to the issue and explained suggestions recommended by the State Tax Commission.

Chair Fillmore directed committee staff to open a bill file on the issue.

8 . Corporate Tax Unadjusted Income Definition

John L. Valentine, Chair, State Tax Commission, requested that clarifications be made.

MOTION: Sen. Davis moved to open a bill file. 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
- Rep. B. Last
- Rep. J. Moss
- Rep. V. Peterson
- Rep. D. Sagers
- Rep. R. Shipp
- Rep. R. Spendlove
- Rep. A. Stoddard
- Rep. N. Thurston

Nays-0

Absent-5

- Sen. L. Fillmore
- Rep. F. Gibson
- Sen. D. Hemmert
- Sen. D. Henderson
- Rep. T. Quinn

9 . Sales and Use Taxation of Fuels Used in Condominium and Short-term Home Rentals

Rebecca Rockwell, Commissioner, State Tax Commission, spoke to the issue and asked that the committee consider reviewing the rates of fuel sales taxes.

10 . Other Items/Adjourn



Committee suggested to have a further discussion regarding the classification of solar panels, the sales and use taxation of fuels, and motor licensing.

MOTION: Chair Fillmore moved to adjourn. The motion passed with a vote of 13 - 0 - 6.

Yeas-13

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

Nays-0

Absent-6

Sen. L. Fillmore
Rep. F. Gibson
Sen. D. Hemmert
Sen. D. Henderson
Rep. B. Last
Rep. T. Quinn