



UTAH STATE

LEGISLATURE

MINUTES

HOUSE REVENUE AND TAXATION STANDING COMMITTEE

Friday, February 4, 2022 | 3:40 p.m. | 120 Senate Building

Members Present:

Rep. Casey Snider, Chair
Rep. Adam Robertson, Vice Chair
Rep. Nelson T. Abbott
Rep. Stewart E. Barlow
Rep. Joel K. Briscoe
Rep. Steve Eliason
Rep. Suzanne Harrison
Rep. Karianne Lisonbee
Rep. Robert M. Spendlove

Rep. Andrew Stoddard
Rep. Mark A. Strong

Members Absent:

Rep. Douglas V. Sagers
Rep. Travis M. Seegmiller

Staff Present:

Kristina King, Policy Analyst
Jordan Gage, Committee Secretary
Makelle Winger, Committee Secretary

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

Chair Snider called the meeting to order at 3:55 p.m.

MOTION: Rep. Spendlove moved to approve the minutes from the January 27, 2022, meeting. The motion passed with a vote of 9 - 0 - 4.

Yeas - 9

Rep. N. Abbott
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Harrison
Rep. A. Robertson
Rep. C. Snider
Rep. R. Spendlove
Rep. A. Stoddard

Nays - 0

Absent - 4

Rep. K. Lisonbee
Rep. D. Sagers
Rep. T. Seegmiller
Rep. M. Strong

1. 2nd Sub. S.B. 59 Tax Amendments (McCay, D.)

Sen. Daniel McCay presented the bill.

Rusty Cannon, Utah Taxpayers Association, commented on the bill.

Lisa Stamps spoke against the bill.

Fany De Lucas, Comunidades Unidas, spoke against the bill.

Angel Castillo, Executive Committee, NAACP Ogden, spoke against the bill.

Chris Stavros, Salt Lake County Assessor, commented on the bill.

Matthew Weinstein, Voices for Utah Children, spoke in favor of the bill.

Jean Hill, Catholic Diocese of Salt Lake City, commented on the bill.

Leah Hansen spoke in favor of the bill.

Clint Cottam, Executive Director, Community Action Partnership of Utah, commented on the bill.

MOTION: Rep. Spendlove moved to replace 2nd Substitute S.B. 59 with 4th Substitute S.B. 59. The motion passed with a vote of 11 - 0 - 2.

Yeas - 11

Rep. N. Abbott
 Rep. S. Barlow
 Rep. J. Briscoe
 Rep. S. Eliason
 Rep. S. Harrison
 Rep. K. Lisonbee
 Rep. A. Robertson
 Rep. C. Snider
 Rep. R. Spendlove
 Rep. A. Stoddard
 Rep. M. Strong

Nays - 0

Absent - 2

Rep. D. Sagers
 Rep. T. Seegmiller

Sophia DiCaro , Executive Director, Governor's Office of Planning and Budget, spoke in favor of the bill.

MOTION: Rep. Stoddard moved to amend 4th Substitute S.B. 59 with Amendment #1. The motion failed with a vote of 3 - 8 - 2.

Amendment 1
 4th Sub. S.B. 59

1. Page 1, Lines 19 through 21:

- 19 This bill:
 20 ▸ { ~~amends the corporate franchise and income tax rates;~~
 21 ▸ amends the individual income tax rate;

2. Page 2, Lines 31 through 33:

- 31 AMENDS:
 32 { ~~59-7-104, as last amended by Laws of Utah 2020, Chapter 354~~ }
 33 { ~~59-7-201, as last amended by Laws of Utah 2018, Chapter 456~~ }

3. Page 2, Line 41 through Page 3, Line 57:

- 41 { ~~Section 1. Section 59-7-104 is amended to read:~~
 42 ~~59-7-104. Tax -- Minimum tax.~~
 43 ~~—(1) Each domestic and foreign corporation, except a corporation that is exempt under~~
 44 ~~Section 59-7-102, shall pay an annual tax to the state based on the corporation's Utah taxable~~
 45 ~~income for the taxable year for the privilege of exercising the corporation's corporate franchise~~
 46 ~~or for the privilege of doing business in the state.~~
 47 ~~—(2) The tax shall be [4.95%] 4.85% of a corporation's Utah taxable income.~~
 48 ~~—(3) The minimum tax a corporation shall pay under this chapter is \$100.~~
 49 Section 2. Section 59-7-201 is amended to read:
 50 { ~~59-7-201. Tax -- Minimum tax.~~
 51 ~~—(1) There is imposed upon each corporation, except a corporation that is exempt under~~
 52 ~~Section 59-7-102, a tax upon the corporation's Utah taxable income for the taxable year that is~~
 53 ~~derived from sources within this state other than income for any period that the corporation is~~
 54 ~~required to include in the corporation's tax base under Section 59-7-104.~~
 55 { ~~(2) The tax imposed by Subsection (1) shall be [4.95%] 4.85% of a corporation's Utah~~
 56 ~~{taxable income.~~
 57 ~~—(3) In no case shall the tax be less than \$100.~~ }

4. Page 3, Lines 64 through 66:

- 64 (a) the resident individual's state taxable income for that taxable year; and
 65 (b) ~~[4.95%] {4.85%}~~ (i) 4.85%:
(A) for an individual whose filing status is single or married filing separately and whose income is less than \$100,000; or
(B) for an individual whose filing status is joint or head of household and whose income is less than \$200,000; or

(ii) 4.95%:

(A) for an individual whose filing status is single or married filing separately and whose income is \$100,000 or more;
or

(B) for an individual whose filing status is joint or head of household and whose income is \$200,000 or more.

66 (3) This section does not apply to a resident individual exempt from taxation under

Yeas - 3

Rep. J. Briscoe
Rep. S. Harrison
Rep. A. Stoddard

Nays - 8

Rep. N. Abbott
Rep. S. Barlow
Rep. S. Eliason
Rep. K. Lisonbee
Rep. A. Robertson
Rep. C. Snider
Rep. R. Spendlove
Rep. M. Strong

Absent - 2

Rep. D. Sagers
Rep. T. Seegmiller

MOTION:

Rep. Spendlove moved to pass 4th Substitute S.B. 59 out favorably. The motion passed with a vote of 11 - 0 - 2.

Yeas - 11

Rep. N. Abbott
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Harrison
Rep. K. Lisonbee
Rep. A. Robertson
Rep. C. Snider
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong

Nays - 0

Absent - 2

Rep. D. Sagers
Rep. T. Seegmiller

2. H.B. 268 Precious Metal Sales Tax Exemption Amendments (*Brammer, B.*)

Rep. Brady Brammer presented the bill with the assistance of Lawrence Hilton, Goldback Inc.

MOTION:

Rep. Spendlove moved to replace H.B. 268 with 1st Substitute H.B. 268. The motion passed with a vote of 9 - 0 - 4.

Yeas - 9

Rep. N. Abbott
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Harrison
Rep. A. Robertson
Rep. C. Snider
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong

Nays - 0

Absent - 4

Rep. S. Eliason
Rep. K. Lisonbee
Rep. D. Sagers
Rep. T. Seegmiller

MOTION:

Rep. Spendlove moved to pass 1st Substitute H.B. 268 out favorably. The motion passed with a vote of 9 - 0 - 4.

Yeas - 9

Rep. N. Abbott
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Harrison
Rep. A. Robertson
Rep. C. Snider
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong

Nays - 0

Absent - 4

Rep. S. Eliason
Rep. K. Lisonbee
Rep. D. Sagers
Rep. T. Seegmiller

MOTION: Rep. Stoddard moved to adjourn. The motion passed with a vote of 9 - 0 - 4.

Yeas - 9

Rep. N. Abbott
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Harrison
Rep. A. Robertson
Rep. C. Snider
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong

Nays - 0

Absent - 4

Rep. S. Eliason
Rep. K. Lisonbee
Rep. D. Sagers
Rep. T. Seegmiller

Chair Snider adjourned the meeting at 4:58 p.m.

NOTE: H.B. 0170, H.B. 0054 were not discussed in the meeting.