

**MINUTES OF THE
SENATE REVENUE AND TAXATION STANDING COMMITTEE
JANUARY 29, 2002, 8:00 A.M.
ROOM 131, STATE CAPITOL BUILDING**

Members Present: Sen. Curtis Bramble, Chair
 Sen. Lyle Hillyard
 Sen. John Valentine
 Sen. Howard Stephenson
 Sen. Mike Dmitrich
 Sen. Ron Allen

Members Excused: Al Mansell

Staff Present: Bryant Howe, Research Analyst
 Karen Allred, Committee Secretary

Visitor List on File:

Chair Bramble called the meeting to order at 8:15 a.m.

MOTION: Sen. Allen moved to approve the minutes of January 22, 2002.

The motion passed unanimously with Sen. Dmitrich and Sen. Hillyard absent for the vote.

1. S.J.R. 10 Resolution Amending Revenue and Taxation Provisions of Utah Constitution
(J. Valentine)

Sen. Valentine explained the resolution assisted by Alan Sullivan, Chairman, Constitutional Revision Commission.

MOTION: Sen. Hillyard moved to pass the resolution out favorably.

The motion passed unanimously.

Sen. Allen assumed the chair.

2. S.B. 59 Sales and Use Tax - Taxation of Amounts Paid to a Telephone Service Provider or Telegraph Corporation *(C. Bramble)*

Sen. Bramble explained the bill.

Bruce Johnson, Tax Commissioner, spoke in support of the bill.

MOTION: Sen. Dmitrich moved to pass the bill out favorably.

The motion passed unanimously with Sen. Valentine absent for the vote.

Sen. Bramble resumed the chair.

3. H.B. 50 Individual Income Tax Personal Requirement Exemption and Deduction for Retirement Income - Eliminating Marriage Tax Penalties (W. Harper)

Rep. Harper explained the bill.

MOTION: Sen. Dmitrich moved to pass the bill out favorably.

The motion passed unanimously with Sen. Valentine absent for the vote.

4. H.B. 84 Property Tax Assessments - Effect of Conservation Easement (R. Becker)

Rep. Becker explained the bill.

MOTION: Sen. Dmitrich moved to pass the bill out favorably.

The motion passed unanimously with Sen. Hillyard and Sen. Valentine absent for the vote.

5. H.B. 24 Revisions to Redevelopment Agency Laws (W. Harper)

Rep. Harper explained the bill.

MOTION: Sen. Stephenson moved to pass the bill out favorably.

The motion passed unanimously with Sen. Hillyard and Sen. Valentine absent for the vote.

6. 1st Sub. S.B. 51 Sales and Use Tax - Taxability of Parts and Labor (W. Harper)

Rep. Harper presented the bill.

Corey Rowley, Legislative Commission for People with Disabilities; Bruce Johnson, Tax Commission, and Wes Quinton, Utah Farm Bureau, spoke in support of the bill.

Clark Snelson, Assistant Attorney General, spoke in opposition to the bill.

MOTION: Sen. Dmitrich moved to pass the bill out favorably.

The motion passed unanimously with Sen. Hillyard and Sen. Valentine absent for the vote.

7. H.B. 88 Sales and Use Tax - Agricultural Exemption (E. Anderson)

Rep. Anderson explained the bill and the following amendments were distributed:

1. Page 1, Line 9: After "**2002.**" insert "**This act provides a coordination clause.**"
2. Page 6, Line 167: After "in the" delete "repair" and insert "repairs" and after "or" delete "replacement" and insert "renovations"
3. Page 11, Line 309: After line 309 insert:
"Section 3. **Coordination clause.**
If this bill and H.B. 51, Sales and Use Tax - Taxability of Parts and Labor, or any substitute to H.B. 51, both pass, it is the intent of the Legislature that the amendments to Subsection 59-12-104(20) in H.B. 51 supersede the amendments to Subsection 59-12-104(20) in this bill."

MOTION: Sen. Allen moved to adopt the amendments.

The motion passed unanimously with Sen. Hillyard and Sen. Valentine absent for the vote.

Bruce Johnson, Tax Commissioner, clarified and spoke in support of the bill.

MOTION: Sen Allen moved to pass the bill out favorably, as amended.

The motion passed unanimously with Sen. Valentine absent for the vote.

8. H.J.R. 14 Joint Resolution - Debt Limits for Political Subdivisions (W. Harper)

Rep. Harper explained the resolution.

MOTION: Sen. Hillyard moved to pass the resolution out favorably.

The motion passed unanimously with Sen. Valentine absent for the vote.

MOTION: Sen. Allen moved to adjourn.

The motion passed unanimously at 9:16 a.m.

Sen. Curtis Bramble, Committee Chair