

**MINUTES OF THE
HOUSE REVENUE AND TAXATION
STANDING COMMITTEE
Room 129 - State Capitol Building**

February 16, 2004

MEMBERS PRESENT: Rep. Wayne A. Harper, Chair
 Rep. Eli H. Anderson
 Rep. Judy Ann Buffmire
 Rep. Scott Daniels
 Rep. Craig Frank
 Rep. Brad Last
 Rep. Susan Lawrence
 Rep. Carol Spackman Moss
 Rep. Darin G. Peterson
 Rep. Jack A. Seitz
 Rep. Gordon E. Snow

MEMBERS ABSENT: Rep. Stephen D. Clark, Vice Chair
 Rep. Sheryl L. Allen
 Rep. J. Morgan Philpot

STAFF: Bryant Howe, Policy Analyst
 Michelle Teerlink, Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Chair Harper called the meeting to order at 8:08 a.m.

MOTION: Rep. Buffmire moved to approve the minutes of February 10, 2004. The motion passed unanimously with Reps. Lawrence and Moss absent for the vote.

HB0306 Property Tax Relief (Rep. L. Christensen)

Rep. Christensen introduced the bill and explained it to the committee. Alexandra Eframo, private citizen spoke in favor of the bill.

MOTION: Rep. Buffmire moved to transmit the bill out favorably. The motion passed unanimously.

HJR026 Resolution Providing Property Tax Exemption (Rep. J. Ferrin)

MOTION: Rep. Buffmire moved to approve the amendments as follows:

1. Page 3 Line 67: After "possessed" insert "for educational purposes"

The motion passed unanimously.

Rep. Ferrin resolution the bill and explained it to the committee.

MOTION: Rep. Daniels moved to transmit the resolution out favorably. The motion failed with Reps. Daniels, Frank, and Peterson voting in favor, and Reps. Anderson, Buffmire, Last, Lawrence, Moss, Seitz, Snow, and Harper voting in opposition.

Rep. Harper turned the chair over to Rep. Last.

HB0273 Tax and Charge Amendments (Rep. W. Harper)

Rep. Harper introduced the bill and explained it to the committee.

MOTION: Rep. Snow moved to approve the amendments as follows:

1. Page 1, Line 25: After line 25 insert "repeals a cap on certain state sales and use tax that is dedicated to fund certain water projects and certain Department of Natural Resources projects;"
2. Page 50, Line 1545: After "2003," bracket "the lesser of the following amounts" and insert "for taxes listed under Subsection (3) (a), the amount of tax revenue generated by a 1/16% tax rate on the transactions described in Subsection (1) for the fiscal year"
3. Page 50, Line 1546: After "(g)" delete the colon and insert a period
2. Page 51, Line 1547: Delete "(i)" and bracket the remainder of the line
3. Page 51, Line 1548: Delete "(A)" and bracket the remainder of the line
4. Page 51, Line 1549: Delete "(B)" and bracket the remainder of the line
5. Page 51, Line 1550 Delete "(ii)" and bracket the remainder of the line

The motion passed with Rep. Daniels voting in opposition.

Commissioner Bruce Johnson, Utah State Tax Commission spoke in favor of the bill and assisted in the explanation, Ron Casper, National Federation of Independent Businesses spoke to the bill. Roger Tew, Utah League of Cities and Towns spoke in favor of the bill.

MOTION: Rep. Snow moved to transmit the bill out favorably. The motion passed unanimously.

SB0124 Prohibition on Sales and Use Tax Incentive Payments by a Municipality (*Sen. S. Killpack*)

MOTION: Rep. Seitz moved to approve 1st Sub of SB 124. The motion passed unanimously with Rep. Harper absent for the vote.

Sen. Killpack introduced the bill and explained it to the committee with Jodi Hoffman, Utah League of Cities and Towns assisting. Rep. Adams, House sponsor spoke in favor, Lawyer Craig Smith, Smith Hertzuisen spoke in opposition.

MOTION: Rep. Seitz moved to transmit the bill out favorably. The motion passed with Reps. Peterson and Moss voting in opposition and Rep. Harper absent for the vote.

MOTION: Rep. Snow moved to adjourn. The motion passed unanimously with Rep. Harper absent for the vote. The meeting adjourned at 9:23 a. m.

Rep. Wayne A. Harper, Chair