

**MINUTES OF THE
HOUSE REVENUE AND TAXATION
STANDING COMMITTEE
Room W135 - West Office Building, State Capitol Complex**

February 11, 2005

MEMBERS PRESENT: Rep. Glen A. Donnelson, Vice Chair
 Rep. Sheryl L. Allen
 Rep. Craig A. Frank
 Rep. Fred R. Hunsaker
 Rep. Bradley G. Last
 Rep. Rebecca Lockhart
 Rep. Joseph G. Murray
 Rep. Merlynn T. Newbold
 Rep. Patrick L. Painter
 Rep. Gordon E. Snow
 Rep. Tim M. Cosgrove
 Rep. Roz McGee
 Rep. Carol Spackman Moss
 Rep. Ross I. Romero

MEMBERS ABSENT: Rep. Wayne A. Harper, Chair

STAFF: Bryant Howe, Assistant Director
 Crystal Hermanson, Secretary

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

Vice Chair Donnelson called the meeting to order at 3:34 p.m.

MOTION: Rep. Murray moved to approve the minutes. The motion passed unanimously with Rep. Allen, Rep. Last, Rep. Lockhart, Rep. McGee, Rep. Moss, Rep. Snow, and Rep. Painter absent for the vote.

H.B. 140 Individual Income Tax Contribution for Community Spay and Neuter Programs (Rep. M. Noel)

MOTION: Rep. Murray moved to amend the bill as follows:

1. *Page 3, Lines 62 through 68:*

62 (4) The department shall distribute contributions and interest deposited into the Cat
and

63 Dog Community Spay and Neuter Program Restricted Account to one or more
64 organizations:
65 (a) that are exempt from federal income taxation under Section 501(c)(3), Internal
66 Revenue Code;
67 (b) that operate a mobile spay and neuter clinic for cats and dogs; and
68 (c) that provide annual spay and neuter services at the mobile spay and neuter clinic
described in Subsection (4)(b) :
(i) to one or more communities in at least 20 counties in the state { } ; and
(ii) by veterinarians who are licensed by Title 58, Chapter 28, Veterinary
Practice Act.

2. *Page 3, Lines 71 through 73:*

71 (b) An organization that receives a distribution from the department in accordance
72 with
73 Subsection (4) :
(i) shall expend the distribution only to spay or neuter dogs and cats :
(A) owned by
persons having low incomes;
= (B) by veterinarians who are licensed by Title 58, Chapter 28, Veterinary
Practice Act;
(C) through a statewide voucher program; and
(D) at a location that:
(I) is not a mobile spay and neuter clinic; and
(II) does not receive any funding from a governmental entity; and
= (ii) may not expend the distribution for any administrative cost relating to an
expenditure authorized by Subsection (5)(b)(i).

Rep. Noel introduced the bill and explained its intent. Rep. John Mathis, David Sweeney, Veterinarian for No More Homeless Pets in Utah, Karen Bird, West Valley City Animal Shelter Manager, and Nikki Sharp, No More Homeless Pets in Utah, spoke for the bill

MOTION: Rep. Frank moved to pass the bill as amended out favorably. The motion passed with Rep. Lockhart, Rep. Newbold, and Rep. Snow voting in opposition to the motion. Rep. McGee was absent for the vote.

H.B. 147 Property Tax Exemption for Veterans (Rep. G. Hughes)

MOTION: Rep. Lockhart moved to amend the bill as follows:

1. *Page 1, Lines 13 through 20:*

13 This bill:

▶ limits the property that is eligible for the exemption described in this bill to

either or both of the following:

• the claimant's primary residence; or

• tangible personal property that is held exclusively for personal

use and

is not used in a trade or business;

14 ▶ ~~{removes}~~ increases the ~~{\$82,500}~~ limitation on the property
tax exemption relating to disabled

15 veterans and veterans who are killed in action or die in the line of duty from \$82,500
to:

• for 2005, \$200,000; and

• for each year after 2005, \$200,000 plus an amount calculated by

multiplying the

amount of the limitation for the previous year by the actual percent change in
the Consumer Price Index during the previous calendar year ;

16 ▶ provides that the property tax exemption relating to a disabled veteran with a
17 service related disability of 10% or more is equal to the greater of:

18 • the percentage of the service related disability multiplied by the ~~{value~~
~~of the~~

19 ~~property entitled to the exemption;~~

20 ~~• the percentage of the service related disability multiplied by~~
~~\$82,500} limitation~~

described previously ; or

2. *Page 2, Line 33:*

33 ~~{None}~~ This bill provides retrospective operation.

3. *Page 2, Lines 41 through 42:*

41 (1) As used in this section and Section 59-2-1105:

(a) **"adjusted taxable value limit" means:**

(i) **for the year 2005, \$200,000; and**

(ii) **for each year after 2005, the amount of the adjusted taxable value limit for the previous year, plus an amount calculated by multiplying the amount of the adjusted taxable value limit for the previous year by the actual percent change in the Consumer Price Index during the previous calendar year.**

42 ~~(a)~~ (b) "claimant" means:

4. *Page 2, Line 54 through Page 3, Line 57:*

54 (B) who files an application under Section 59-2-1105 for a veteran's exemption;

(c) **"consumer price index" is as described in Section 1(f)(4), Internal Revenue Code, and defined in Section 1(f)(5), Internal Revenue Code;**

55 ~~(b)~~ (d) "deceased disabled veteran" means a deceased person who was a disabled veteran

56 at the time the person died;

57 ~~(c)~~ (e) "disabled veteran" means a disabled person who, during military training or a

5. *Page 3, Line 60:*

60 ~~(d)~~ (f) "military entity" means:

6. *Page 3, Lines 65 through 67:*

65 ~~(e)~~ (g) "residence" is as defined in Section 59-2-1202, except that a rented dwelling is not

66 considered to be a residence;

67 ~~(f)~~ (h) "veteran who was killed in action or died in the line of duty" means a person who

7. *Page 3, Lines 71 through 72:*

71 ~~(g)~~ (i) "veteran's exemption" means a property tax exemption provided for in Subsection

72 (2).

8. *Page 3, Lines 80 through 83:*

- 80 (b) Subsection (2)(a) applies to the following property:
81 (i) ~~{real property, including a}~~ the claimant's primary residence;
82 (ii) tangible personal property that:
(A) is held exclusively for personal use; and
(B) is not used in a trade or business ; or
83 (iii) a combination of Subsections (2)(b)(i) and (ii).

9. *Page 4, Line 115 through Page 5, Line 125:*

- 115 (f) Except as provided in Subsection (2)(g), the amount of the taxable value of the
116 property described in Subsection (2)(b) that is exempt under Subsection (2)(c)(i) is
{the greater
117 of:
118 ~~(i)}~~ equal to the percentage of disability listed on the certificate described in
Subsection
119 59-2-1105(3)(a) multiplied by the {taxable value of the property described in
Subsection (2)(b);
120 or
121 ~~(ii) the percentage of disability listed on the certificate described in Subsection~~
122 59-2-1105(3)(a) multiplied by \$82,500} adjusted taxable value limit .
123 (g) Notwithstanding Subsection (f), the amount of the taxable value of the property
124 described in Subsection (2)(b) that is exempt under Subsection (2)(c)(i) may not be
greater than
125 the taxable value of the property described in Subsection (2)(b).

Section 2. Retrospective operation.
This bill provides retrospective operation to January 1, 2005.

Larry Richardson, Salt Lake County Treasure, spoke for the amendment. The motion passed unanimously.

Rep. Hughes introduced the bill and explained its intent. Frank Maughan, Utah Disabled American Veterans, and Frank Gardner, Utah Association of Counties, spoke to the bill.

MOTION: Rep. Lockhart moved to pass the bill as amended out favorably. The motion passed unanimously with Rep. Frank absent for the vote.

S.B. 129 Brine Shrimp Royalty Act Amendments (*Sen. T. Hatch*)

Rep. Snow introduced the bill and explained its intent with the assistance of Don Leonard, Utah Artemia Association.

MOTION: Rep. Last moved to pass the bill out favorably. The motion passed unanimously.

S.B. 54 Property Tax Confidentiality Amendments (*Sen. H. Stephenson*)

Sen. Stephenson introduced the bill and explained its intent with the assistance of Mark Johnson, Tax Commission. Brent Gardner, Salt Lake County Assessors, spoke for the bill.

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

MOTION: Rep. Allen moved to adjourn. The motion passed unanimously.

Rep. Donnelson adjourned the meeting at 4:41 p.m.

Rep. Wayne A. Harper, Chair