

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

February 17, 2005

MEMBERS PRESENT: Rep. Wayne A. Harper, Chair
 Rep. Glen A. Donnelson, Vice Chair
 Rep. Sheryl L. Allen
 Rep. Craig A. Frank
 Rep. Fred R. Hunsaker
 Rep. Bradley G. Last
 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. Rebecca Lockhart

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 9:16 a.m.

MOTION: Rep. Murray moved to approve the minutes of the February 15, 2005 meeting. The motion passed unanimously with Rep. Allen, Rep. Frank, Rep. Snow, Rep. Painter, and Rep. Romero absent for the vote.

H.B. 324 Taxable Value Adjustment for Property Damaged by a Natural Disaster (*Rep. B. Last*)

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

1. *Page 1, Lines 13 through 14:*

13 This bill:

► provides that, before completing and delivering the assessment book to the county auditor, the assessor shall adjust the assessment of property in the

assessment book to reflect an adjustment in the taxable value of any property damaged by natural disaster if the adjustment is made by the county board of equalization on or before May 15;

14 ▶ defines terms;

2. *Page 1, Lines 25 through 26:*

25 Other Special Clauses:

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

3. *Page 1, Line 27:*

27 Utah Code Sections Affected:

AMENDED:

59-2-311, as last amended by Chapters 75 and 86, Laws of Utah 2000

4. *Page 2, Lines 31 through 32:*

31 *Be it enacted by the Legislature of the state of Utah:*

Section 1. Section 59-2-311 is amended to read:

59-2-311. Completion and delivery of assessment book -- Signed statement required -- Contents of signed statement -- Adjustment of assessment in assessment book .

(1) Prior to May 22 each year, the assessor shall complete and deliver the assessment book to the county auditor.

(2) The assessor shall subscribe and sign a statement in the assessment book substantially as follows:

I, _____, the assessor of _____ County, do swear that before May 22, _____(year), I made diligent inquiry and examination, and either personally or by deputy, established the value of all of the property within the county subject to assessment by me; that the property has been assessed on the assessment book equally and uniformly according to the best of my judgment, information, and belief at its fair market value; that I have faithfully complied with all the duties imposed on the assessor under the revenue laws including the requirements of Section 59-2-303.1; and that I have not imposed any unjust or double assessments through malice or ill will or otherwise, or allowed anyone to escape a just and equal assessment through favor or reward, or otherwise.

(3) Before completing and delivering the assessment book under

Subsection (1), the assessor shall adjust the assessment of property in the assessment book to reflect an adjustment in the taxable value of any property if the adjustment in taxable value is made:

- (a) by the county board of equalization under Section 59-2-1004.5; and
(b) on or before May 15.

32 Section {~~1~~} 2 . Section 59-2-1004.5 is enacted to read:

5. *Page 3, Line 88:*

88 this section may appeal that decision under Section 59-2-1006.

= Section 3. Retrospection operation.

This bill provides retrospective operation to January 1, 2005.

The motion to amend the bill passed unanimously with Rep. Frank and Rep. Painter absent for the vote.

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

6. *Page 1, Line 10:* After "provide a" delete "tax" and insert "valuation"
7. *Page 1, Line 16:* Delete "tax" and insert "valuation"
8. *Page 1, Line 22:* Delete "tax" and insert "valuation"
9. *Page 2, Line 55:* Delete "tax" and insert "valuation"
10. *Page 3, Line 60:* Delete "tax" and insert "valuation"
11. *Page 3, Line 61:* Delete "tax" and insert "valuation"

The motion to amend the bill passed unanimously with Rep. Painter absent for the vote.

Rep. Last introduced the bill and explained its intent with the assistance of Art Partridge, Washington County Assessor. Bruce Johnson, Tax Commission, spoke to the bill.

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

H.B. 107 Amendments to Taxes, Fees, or Charges (Rep. W. Harper)

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

1. *Page 1, Line 18:*

18 ▶ requires the Revenue and Taxation Interim Committee and the State Tax Commission to conduct a study; and

2. *Page 9, Line 249:*

249 Section 4. Revenue and Taxation Interim Committee and State Tax Commission study.

3. *Page 9, Lines 250 through 255:*

250 (1) During the 2005 interim, the Revenue and Taxation Interim Committee and the State Tax Commission shall conduct a study to make findings and recommendations as to whether the Legislature should enact an earlier effective date for the provisions of this bill that take effect on July 1, 2006, as a result of:

(a) the existence of appropriate software that facilitates the sourcing requirements of the Streamlined Sales and Use Tax Agreement; or

(b) amendments to the Streamlined Sales and Use Tax Agreement that allow businesses to easily comply with the sourcing requirements of the Streamlined Sales and Use Tax Agreement.

(2) For purposes of studying the existence of appropriate software as required by Subsection (1)(a), the Revenue and Taxation Interim Committee and the State Tax Commission shall study whether software exists that:

(a) is widely available;

(b) is compatible with current computer programs and hardware;

(c) is inexpensive;

(d) is user friendly; and

(e) allows small businesses to collect, source, and remit sales and use taxes in an efficient manner.

(3) If, as a result of the study required by Subsection (1), the Revenue and Taxation Interim Committee and the State Tax Commission recommend that the Legislature should enact an earlier effective date for the provisions of this bill that take effect on July 1, 2006, the Revenue and Taxation Interim Committee and the State Tax Commission shall:

251 (a) report their findings to the Legislative Management Committee {regarding whether to} ; and

(b) recommend that the Legislative Management Committee request the

governor to call a special session of
252 the Legislature ~~{if the State Tax Commission recommends that the~~
~~Legislature}~~ to enact an earlier
253 effective date for the provisions of this bill that take effect on July 1, 2006 ~~{, as a result~~
~~of:~~
254 ~~—(1) the existence of appropriate software; or~~
255 ~~—(2) amendments to the Streamlined Sales and Use Tax Agreement}~~ .

The motion to amend the bill passed unanimously.

Rep. Harper introduced the bill and explained its intent. Tom Bingham, Utah Manufacturing Association, and Ron Casper, National Federation of Independent Business, spoke for the bill.

MOTION: Rep. Hunsaker moved to pass the amended bill out favorably.

SUBSTITUTE

MOTION: Rep. Cosgrove moved to send the bill to Interim Study. The substitute motion failed with Rep. Allen, Rep. Frank, Rep. Hunsaker, Rep. Last, Rep. Moss, Rep. Murray, Rep. Newbold, Rep. Snow, Rep. Painter, Rep. Romero, Rep. Harper, and Rep. Donnelson voting in opposition to the motion.

The original motion to pass the amended bill out favorably passed with Rep. McGee voting in opposition to the motion

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

Rep. Donnelson adjourned the meeting at 10:11 a.m.

Rep. Wayne A. Harper, Chair