

**MINUTES OF THE
SENATE REVENUE AND TAXATION STANDING COMMITTEE
FEBRUARY 14, 2005
Room W130, West Office Building, State Capitol Complex**

Members Present: Sen. Curtis Bramble, Chair
 Sen. Ron Allen
 Sen. Gregory Bell
 Sen. Darin G. Peterson
 Sen. Mike Dmitrich
 Sen. John Valentine.
 Sen. Howard A. Stephenson
 Sen. Lyle Hillyard

Staff Present: Bryant Howe, Assistant Director
 Jeanne Wride, Committee Secretary

Public Speakers Present: Bruce Johnson, Utah State Tax Commission
 Doug Hammer Vice President, IHC
 Mitch Tibbetts, Mountain Star Network
 Bill Nelson, CEO, IHC
 Bert Zimmerlli, CFO, IHC
 Greg Poulson, Vice President, IHC
 Scott Barlow, Central Utah Clinic
 Michael Jensen, Councilman, Salt Lake County

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

Chair Bramble called the meeting to order at 4:05 p.m.

APPROVAL OF MINUTES:

MOTION: Sen. Stephenson moved to approve the minutes of February 11, 2005.

The motion passed with Sen. Valentine, Sen. Allen, Sen. Bell, Sen. Dmitrich and Sen. Hillyard absent for the vote.

1. H.J.R. 1 JOINT RESOLUTION RELATED TO FINANCIAL INSTITUTIONS (Rep. J. Alexander)

Rep. Alexander presented the bill to the committee.

MOTION: Sen. Stephenson moved to pass H.J.R.1 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Valentine, Sen. Allen, Sen. Bell, Sen. Dmitrich and Sen. Hillyard absent for the vote.

MOTION: Sen. Stephenson moved to place H.J.R.1 on the Consent Calendar.

It was noted that placement of H.J.R.1 on the Consent Calendar was done for parliamentary reasons.

The motion passed unanimously with Sen. Valentine, Sen. Allen, Sen. Bell, Sen. Dmitrich and Sen. Hillyard absent for the vote.

Sen. Stephenson assumed the Committee Chair.

2. S.B. 195 TAX REVISIONS (Sen. C. Bramble)

MOTION: Sen. Bramble moved to substitute S.B. 195 with 1st Sub S.B.195.

The motion passed unanimously with Sen. Valentine, Sen. Allen, Sen. Bell, Sen. Dmitrich and Sen. Hillyard absent for the vote.

Sen. Bramble presented the bill to the committee

MOTION: Sen. Peterson moved to pass 1st Sub S.B. 195 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Valentine, Sen. Allen, Sen. Bell, Sen. Dmitrich and Sen. Hillyard absent for the vote.

Sen. Bramble assumed the Committee Chair.

3. S.B. 13 INDIVIDUAL INCOME TAX - SUBSTATION FOR CERTAIN MILITARY INCOME (Sen. H. Stephenson)

Sen. Stephenson presented the bill to the committee.

Sen. Bramble requested the minutes reflect S.B. 13 will be substituted on the Senate Floor.

MOTION: Sen. Peterson moved to pass S.B. 13 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Valentine, Sen. Allen, Sen. Bell, Sen. Dmitrich

and Sen. Hillyard absent for the vote.

**4. S.B. 206 NONPARTICIPATING TOBACCO MANUFACTURER AMENDMENTS
(Sen. S. Killpack)**

Sen. Stephenson presented the bill to the committee.

Bruce Johnson, Utah State Tax Commission, spoke to the bill.

MOTION: Sen. Stephenson moved to pass S.B. 206 out of committee with a favorable recommendation.

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

5. S.B. 194 SALES AND USE TAX EXEMPTION FOR ITEMS RELATING TO DIRECT MAIL (Sen. H. Stephenson)

Sen. Stephenson presented the bill to the committee.

Bruce Johnson, Utah State Tax Commission, spoke to the bill.

MOTION: Sen. Stephenson moved to pass S.B. 194 out of committee with a favorable recommendation.

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

6. S.B. 61 GROSS RECEIPTS TAX ON PRIVATELY OWNED HEALTH CARE ORGANIZATIONS (Sen. M. Waddoups)

Sen. Waddoups presented the bill to the committee.

Doug Hammer Vice President, IHC; Bill Nelson, CEO, IHC; Bert Zimmerlli, CFO, IHC; and Greg Poulson, Vice President, IHC, spoke in opposition to bill.

Mitch Tibbetts, Mountain Star Network, and Scott Barlow, Central Utah Clinic, spoke in favor of the bill.

MOTION: Sen. Peterson moved to substitute S.B. 61 with 1st. Sub. S.B. 61.

The motion passed with Sen. Allen voting against with Sen. Hillyard and Sen. Bell absent for the vote.

MOTION: Sen. Dmitrich moved to pass 1st. Sub. 61 out of committee with a favorable recommendation.

The motion passed with Sen. Allen voting against with Sen. Hillyard and Sen. Bell absent for the vote

7. S.B., 203 PROPERTY TAX - COUNTY SERVICE AREAS (Sen. M. Waddoups)

Sen. Waddoups presented the bill to the committee

Michael Jensen, Councilman, Salt Lake County, spoke in favor of the bill.

MOTION: Sen. Stephenson moved to amend S.B. 203 as follows:

1. Page 2, Lines 32 through 33:

- 32 (a) ~~{-.003}~~ .002 per dollar of taxable value of taxable property located in
 the county service
33 area, if the county service area:

The motion passed with Sen. Allen and Sen. Dmitrich voting against and Sen. Hillyard absent for the vote

MOTION: Sen. Valentine moved to pass S.B. 203, as amended, out of committee with a favorable recommendation.

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

MOTION: Sen. Bell moved to adjourn.

The motion passed unanimously with

Sen. Bramble adjourned the meeting at 5:50 p.m.

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Sen. Curtis Bramble, Committee Chair