

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

**February 5, 2007**

**CORRECTED**

**MEMBERS PRESENT:** Rep. John Dougall, Chair  
Rep. Craig A. Frank, Vice Chair  
Rep. Roger Barrus  
Rep. Ron Bigelow  
Rep. Tim M. Cosgrove  
Rep. Wayne A. Harper  
Rep. Gregory H. Hughes  
Rep. Christine Johnson  
Rep. Roz McGee  
Rep. Carol Spackman Moss  
Rep. Merlynn T. Newbold  
Rep. Gordon E. Snow

**MEMBERS ABSENT:** Rep. Bradley G. Last  
Rep. Aaron Tilton  
Rep. Carl Wimmer

**STAFF:** Bryant Howe, Assistant Director  
Rosemary Young, Secretary

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

Rep. Dougall called the meeting to order at 8:33 a.m. Commissioner Pam Hendrickson of the Utah State Tax Commission at the chair's request discussed the annual report which is a report of last year's tax administration and is also available on line. Rep. Dougall relinquished the chair to Rep. Frank.

**MOTION:** Rep. Barrus moved to approve the minutes of the February 1, 2007 meeting. The motion passed unanimously with Rep. Bigelow, Rep. Cosgrove, Rep. Hughes, and Rep. Moss absent for the vote.

**S.B. 96 Sales and Use Tax Exemption for Disposable Home Medical Equipment or Supplies (Sen. S. Killpack) (Rep. G. Hughes)**

Sen. Killpack introduced the bill and explained it to the committee. Jim Olsen, Utah Retail Merchants Association and Utah Food Industry Association, and Pam Hendrickson, Utah State Tax Commission spoke in favor of the bill.

**MOTION:** Rep. Newbold moved to transmit the bill with a favorable recommendation. The motion passed unanimously with Rep. Hughes absent for the vote.

Rep. Frank relinquished the chair to Rep. Dougall.

**S.B. 22      Sales and Use Tax Exemptions for Certain Governmental Entities and Entities Within the State Systems of Public and Higher Education (Sen. H. Stephenson) (Rep. W. Harper)**

Sen. Stephenson introduced the bill and explained it to the committee.

**MOTION:** Rep. Harper moved to transmit the bill with a favorable recommendation. The motion passed unanimously with Rep. Hughes, Rep. McGee, Rep. Newbold, and Rep. Frank absent for the vote.

**H.B. 36      Income Tax Additions and Subtractions for Higher Education Savings (Rep. F. Hunsaker)**

**MOTION:** Rep. Snow moved to delete in title and body H.B. 36 and replace it with 1st Substitute H. B. 36. The motion passed unanimously with Rep. Hughes and Rep. Newbold absent for the vote.

**MOTION:** Rep. Snow moved to amend 1st Sub H.B. 36 as follows:

*1. Page 23, Lines 681 through 682:*

681            (ii) the resident or nonresident individual described in Section (2)(i)(i) does not  
deduct  
682    on a federal individual income **tax** return; and

The motion passed unanimously with Rep. Hughes and Rep. Newbold absent for the vote.

Rep. Hunsaker introduced 1st Sub H.B. 36 and explained it to the committee assisted by Lynne Ward, Director, Utah Education Savings Plan.

**MOTION:** Rep. Bigelow moved to transmit 1st Sub H.B. 36 as amended with a favorable recommendation. The motion passed unanimously with Rep. Hughes absent for the vote.

**1st Sub. H.B. 122      Clean Air and Efficient Vehicle Tax Credit (Rep. R. McGee)**

Rep. McGee assisted by Glade Sowards, Utah Division of Air Quality, and Chris Parker, Office of Legislative Research and General Counsel, introduced the bill and explained it to the committee. Frank Pignanelli, American Alliance of Automobile Manufacturers, and Pam Hendrickson, Utah

Tax Commission, spoke to the bill. Beverly Miller, Director of Utah Clean Cities, spoke for the bill.

**MOTION:** Rep. Barrus moved to delete in title and body 1st Sub. H.B. 122 and replace it with 3rd Sub. H.B. 122.

**SUBSTITUTE**

**MOTION:** Rep. Frank moved to delete in title and body 1st Sub. H.B. 122 and replace it with 2nd Sub. H.B. 122. The motion failed with Rep. Harper, Rep. Newbold, Rep. Dougall, and Rep. Frank voting in favor, and Rep. Hughes absent for the vote.

The original motion to adopt 3rd Sub. H.B. 122 passed with Rep. Bigelow, Rep. Harper, Rep. Snow, and Rep. Dougall voting in opposition.

**MOTION:** Rep. Barrus moved to transmit 3rd Sub. H.B.122 with a favorable recommendation.

**SUBSTITUTE**

**MOTION:** Rep. Frank moved to hold the bill in committee. The motion passed with Rep. Cosgrove, Rep. Johnson, Rep. McGee, Rep. Moss, and Rep. Dougall voting in opposition.

**MOTION:** Rep. Snow moved to adjourn. The motion passed unanimously.

Rep. Dougall adjourned the meeting at 10:00 a.m.

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Rep. John Dougall, Chair