

**MINUTES OF THE  
HOUSE REVENUE AND TAXATION  
STANDING COMMITTEE  
Room 445 - State Capitol, State Capitol Complex**

**February 25, 2009**

MEMBERS PRESENT:      Rep. Todd Kiser, Chair  
                                 Rep. Gage Froerer, Vice Chair  
                                 Rep. Sheryl Allen  
                                 Rep. Tim M. Cosgrove  
                                 Rep. John Dougall  
                                 Rep. Susan Duckworth  
                                 Rep. Julie Fisher  
                                 Rep. Wayne Harper  
                                 Rep. Greg Hughes  
                                 Rep. Eric Hutchings  
                                 Rep. Christine Johnson  
                                 Rep. Carol Spackman Moss  
                                 Rep. Merlynn T. Newbold  
                                 Rep. Stephen Sandstrom  
                                 Rep. Jennifer Seelig  
                                 Rep. Evan Vickers

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

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

Rep. Froerer called the meeting to order at 8:13 a.m.

**MOTION:**      Rep. Johnson moved to approve the minutes of the February 23, 2009 meeting. The motion passed unanimously with Rep. Hughes and Rep. Newbold absent for the vote.

**H.B. 380      Tourism, Recreation, Cultural, Convention, and Airport Facilities Tax  
                         Amendments (Rep. C. Frank)**

**MOTION:**      Rep. Harper moved to adopt 1st Substitute H.B. 380 changing the percentage on line 183 from 3.44% to 2.0%.

**SUBSTITUTE MOTION:**      Rep. Allen moved to adopt 3rd Substitute H.B. 380. The motion failed with Rep. Allen voting in favor and Rep. Hughes, Rep. Newbold, and Rep. Sandstrom absent for the vote.

The original motion to adopt 1st Substitute H.B. 380 with the change in percentage failed with Rep. Allen, Rep. Cosgrove, Rep. Duckworth, Rep. Hutchings, Rep. Seelig, Rep. Vickers, and Rep. Froerer voting in opposition and Rep. Hughes and Rep. Newbold absent for the vote.

**MOTION:** Rep. Johnson moved to proceed to the next item on the agenda.

**SUBSTITUTE MOTION:** Rep. Hutchings moved to transmit H.B. 380 with a favorable recommendation. The motion failed with Rep. Cosgrove, Rep. Duckworth, Rep. Fisher, Rep. Sandstrom, Rep. Seelig, Rep. Vickers, and Rep. Froerer voting in opposition and Rep. Hughes and Rep. Newbold absent for the vote.

The original motion to proceed to the next item on the agenda passed with Rep. Dougall voting in opposition and Rep. Hughes and Rep. Newbold absent for the vote.

**S.B. 141 Aviation Fuel Tax Amendments (Sen. W. Niederhauser) (Rep. J. Dougall)**

Rep. Dougall, assisted by Bruce Johnson, Utah State Tax Commission, introduced the bill and explained it to the committee.

**MOTION:** Rep. Johnson moved to transmit S.B. 141 with a favorable recommendation. The motion passed unanimously with Rep. Fisher, Rep. Hughes, and Rep. Newbold absent for the vote.

**MOTION:** Rep. Johnson moved to place S.B. 141 on the Consent Calendar. The motion passed unanimously with Rep. Fisher, Rep. Hughes, and Rep. Newbold absent for the vote.

**1st Sub. S.B. 23 Income Taxation of Pass-through Entities and Pass-through Entity Taxpayers (Sen. W. Niederhauser) (Rep. J. Dougall)**

Rep. Dougall and Sen. Niederhauser, assisted by Bruce Johnson, Utah State Tax Commission, introduced the bill and explained it to the committee. Lee Peacock, Utah Petroleum Association, spoke in favor of the bill.

**MOTION:** Rep. Dougall moved to transmit 1st Substitute S.B. 23 with a favorable recommendation. The motion passed unanimously with Rep. Hughes and Rep. Newbold absent for the vote.

**H.B. 193 Property Tax - Greenbelt Rollback (Rep. R. Menlove)**

**MOTION:** Rep. Fisher moved to amend the bill as follows:

*1. Page 4, Lines 109 through 116:*

- 109            (1) Notwithstanding Section 59-2-506 and subject to the requirements of this section,  
110    land is not subject to the rollback tax under Section 59-2-506 if:  
111            (a) the land is withdrawn from this part;  
112            (b) the land is donated to a nonprofit entity **that is exempt as a charitable**  
**organization under Utah Constitution Article XIII, Section 3 ; and**  
113            (c) after the land is donated as described in Subsection (1)(b), the land does not meet

114 the requirements of Section 59-2-503 {~~;~~ **and**} .  
115 {~~(d) the land becomes exempt from taxation under Utah Constitution Article~~  
~~XIII,~~  
116 ~~Section 3.~~}

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

Rep. Menlove, accompanied by Bruce Johnson, Utah State Tax Commission, introduced the bill and explained it to the committee.

The following individuals spoke to the bill:

Lee Gardner	Salt Lake County Assessor
Steve White	Utah County Commissioner
Todd Bingham	Utah Farm Bureau
Brent Gardner	Utah Association of Counties

**MOTION:** Rep. Dougall moved to refer H.B. 193 to interim study. The motion passed with Rep. Harper and Rep. Moss voting in opposition and Rep. Duckworth and Rep. Newbold absent for the vote.

**MOTION:** Rep. Hughes moved to adjourn. The motion failed with Rep. Allen, Rep. Dougall, Rep. Harper, Rep. Hutchings, Rep. Moss, Rep. Seelig, and Rep. Kiser voting in opposition.

**H.B. 199      Statewide Equalization of School Funding** (*Rep. W. Harper*)

Rep. Harper explained the bill which was discussed and amended in the meeting of February 17, 2009. Tim Leffel, Murray School District, spoke against the bill. Brad Markus, Riverton City Council, spoke in favor of the bill.

**MOTION:** Rep. Dougall moved to transmit H.B. 199 with a favorable recommendation. The motion failed with Rep. Allen, Rep. Dougall, Rep. Harper, Rep. Newbold, Rep. Sandstrom, and Rep. Kiser voting in favor.

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

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

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Rep. Todd E. Kiser, Chair