

**MINUTES OF THE
SENATE REVENUE AND TAXATION STANDING COMMITTEE MEETING
FEBRUARY 9, 2011
ROOM 250 STATE CAPITOL**

Members Present: Sen. Curt S. Bramble, Chair
Sen. John Valentine
Sen. Howard A. Stephenson
Sen. Ben McAdams

Members Excused: Sen. J. Stuart Adams
Sen. Wayne Niederhauser
Sen. Dennis Stowell
Sen. Ross Romero

Staff Present: Phillip V. Dean, Policy Analyst
Kathy Helgesen, Committee Secretary

Public Speakers Present: Roger Tew, Utah League of Cities and Towns
Jacki Evans, Utah Taxpayers Association
David Jones, Manager, PJ's College Books
Marc Johnson, Utah State Tax Commission
Dave Davis, Utah Retail Merchants Association

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

Chair Bramble called the meeting to order at 4:07 p.m..

Approval of Minutes

MOTION: Sen. Valentine moved to approve minutes of the February 4, 2011 meeting.

The motion passed unanimously.

1. **SB0051 - Amendments to Local Sales and Use Taxes for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities (L. Hillyard)**

Sen. Hillyard presented the bill.

MOTION: Sen. Valentine moved to adopt the following amendment:

1. *Page 2, Line 55 through Page 3, Line 64:*

55 (4) (a) "Cultural organization":

56 (i) means:

- 57 (A) a private nonprofit organization or institution having as its primary purpose the
58 advancement and preservation of:
59 (I) natural history;
60 (II) art;
61 (III) music;
62 (IV) theater; ~~{or}~~
63 (V) dance; ~~{and}~~ or
(VI) cultural arts, including literature, a motion picture, or storytelling.
64 (B) an administrative unit; and

2. *Page 3, Lines 80 through 85:*

- 80 (iii) [~~any~~] an educational institution whose annual revenues are directly derived more
81 than 50% from state funds; ~~{+}~~ or ~~{+}~~
82 (iv) in a county of the first or second class, [~~any~~] a radio or television broadcasting
83 network or station, cable communications system, newspaper, or
magazine ~~{+}~~ . ~~{+}~~ ~~{; or}~~
84 ~~—(v) an organization or institution having as its primary purpose the~~
~~advancement and~~
85 ~~preservation of literature, a motion picture, or storytelling.—}~~

3. *Page 13, Line 390 through Page 14, Line 401:*

- 390 (4) (a) ~~{A}~~ Except as provided in Subsection (4)(b), a tax authorized
under this part shall be:
391 (i) ~~{except as provided in Subsection (4)(b);}~~ administered, collected, and
enforced in
392 accordance with:
393 (A) the same procedures used to administer, collect, and enforce the tax under:
394 (I) Part 1, Tax Collection; or
395 (II) Part 2, Local Sales and Use Tax Act; and
396 (B) Chapter 1, General Taxation Policies; and
397 (ii) (A) levied for a period of ~~{+}~~ eight ~~{+}~~ ~~{10}~~ years; and
398 (B) may be reauthorized at the end of the ~~{+}~~ eight-year ~~{+}~~
~~{ten-year}~~ period in accordance
399 with this section.

(b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the tax shall be levied for a period of 10 years.

(ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or after July 1, 2011, the tax shall be reauthorized for a ten-year period.

400 {~~(b)~~} (c) [~~Notwithstanding Subsection (4)(a)(i), a~~] A tax under this section
is not subject to
401 Subsections 59-12-205(2) through (6).

The motion passed unanimously.

Mr. Tew spoke in favor of the bill.

Ms. Evans spoke to the bill.

MOTION: Sen. Valentine moved to send S.B. 51, as amended, out of committee with a favorable recommendation.

The motion passed unanimously.

Sen. Bramble relinquished the chair to Sen. Stephenson.

2. **SB0157 - Property Tax Revisions (C. Bramble)**

Sen. Bramble presented the bill.

MOTION: Sen. Bramble moved to adopt an amendment as follows:

1. *Page 2, Line 39:*

39 (2) (a) The commission may revise, accelerate, or cancel an equal payment agreement

2. *Page 2, Line 41:*

41 accelerate, or cancel an installment agreement under Section 59-1-1004.

(b) The commission shall give the taxpayer reasonable notice of its intent to revise or cancel an equal payment agreement under this section.

The motion passed unanimously.

MOTION: Sen. Bramble moved to send S.B. 157, as amended, out of committee with a

favorable recommendation.

The motion passed unanimously.

Sen. Bramble assumed the chair.

3. **SB0069 - Sales and Use Tax Exemption for Textbooks for Higher Education (K. Mayne)**

Sen. Mayne presented the bill.

Mr. Jones, Mr. Davis, and Ms. Evans spoke in favor of the bill.

Mr. Johnson spoke to the bill.

MOTION: Sen. Valentine moved to amend the bill as follows:

1. *Page 71, Lines 2182 through 2184:*

2182 (b) by a seller, other than a bookstore owned by an institution of higher education, if
2183 51% or more of that seller's sales **revenue** for the previous calendar quarter are sales
 of a textbook for a
2184 higher education course.

2. *Page 71, Lines 2194 through 2196:*

2194 a higher education course; or
2195 (b) to verify that 51% or more of a seller's sales **revenue** for the previous
 calendar quarter are
2196 sales of a textbook for a higher education course.

The motion passed unanimously.

MOTION: Sen. Valentine moved to send S.B. 69, as amended, out of committee with a favorable recommendation.

The motion passed unanimously.

4. SB0071 was not considered.

MOTION: Sen. McAdams moved to adjourn.

Chair Bramble adjourned the meeting at 4:54 p.m.

Minutes were reported by Kathy Helgesen, Committee Secretary.

Sen. Curt Bramble, Committee Chair