

**MINUTES OF THE
HOUSE REVENUE AND TAXATION
STANDING COMMITTEE
Room 445 - State Capitol
March 4, 2013**

MEMBERS PRESENT: Rep. Ryan Wilcox, Chair
Rep. Jim Nielson, Vice Chair
Rep. Jake Anderegg
Rep. Joel Briscoe
Rep. Tim Cosgrove
Rep. Steve Eliason
Rep. Gage Froerer
Rep. Francis Gibson
Rep. Eric Hutchings
Rep. Brian King
Rep. John Knotwell
Rep. Doug Sagers
Rep. Jon Stanard

MEMBERS EXCUSED: Rep. Mel Brown

MEMBERS ABSENT: Rep. Kay McIff
Rep. Earl Tanner

STAFF PRESENT: Mr. Phil Dean, Policy Analyst
Ms. An Bradshaw, Secretary

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

Chair Wilcox called the meeting to order at 4:18 p.m.

MOTION: Rep. Anderegg moved to approve the minutes of March 1, 2013. The motion passed unanimously with Rep. Cosgrove, Rep. Gibson, Rep. Hutchings, and Rep. Sagers absent for the vote.

H.B. 98 Severance Tax Revisions (*Rep. B. King*)

Rep. King introduced the bill to the committee.

Spoke in opposition to the bill: Mr. Jeff Hartley, energy consultant

MOTION: Rep. King moved to pass the bill out favorably. The motion failed with Rep. Anderegg, Rep. Eliason, Rep. Froerer, Rep. Gibson, Rep. Knotwell, Rep. Sagers, Rep. Stanard, Rep. Nielson, and Rep. Wilcox voting in opposition and Rep.

Hutchings absent for the vote.

H.B. 138 Individual Income Tax Credit for Purchase of Public Transit Pass and Related Funding (*Rep. M. Poulson*)

Rep. Nielson assumed the chair.

Rep. Froerer moved to replace HB138 with 1st Sub. HB138. The motion passed unanimously with Rep. Hutchings and Rep. Wilcox absent for the vote.

1st Sub. H.B. 138 Individual Income Tax Credit for Purchase of Public Transit Pass and Related Funding (*Rep. M. Poulson*)

Rep. Poulson introduced the bill to the committee. Mr. Bruce Jones, general counsel, Utah Transit Authority, answered questions from the committee and spoke in favor of the bill.

Rep. Wilcox resumed the chair.

Spoke in favor of the bill: Ms. Ann O'Connell, League of Women Voters of Utah
Mr. Terry Marasco, Utah Moms for Clean Air
Ms. Nicola Nelson, League of Women Voters of Utah
Ms. Ingrid Griffee, Utah Moms for Clean Air

Spoke in opposition to the bill: Mr. Royce Van Tassell, Utah Taxpayers Association

MOTION: Rep. Briscoe moved to pass 1st Sub. HB138 out favorably. The motion failed with Rep. Anderegg, Rep. Froerer, Rep. Gibson, Rep. Hutchings, Rep. Knotwell, Rep. Sagers, and Rep. Stanard voting in opposition and Rep. Eliason absent for the vote.

H.B. 225 Income Tax Amendments (*Rep. B. King*)

Rep. King introduced the bill to the committee.

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

1. Page 2, Lines 38 through 39:

38 (c) greater than \$1,000,000, the tax is ~~{ \$42,500 }~~ \$57,500 plus 7%
 of state taxable income greater
39 than \$1,000,000.

2. Page 2, Lines 53 through 54:

53 (iii) greater than \$1,000,000, the tax is {~~\$42,500~~} ~~\$57,500~~ plus 7%
of state taxable income greater
54 than \$1,000,000.

3, Lines 67 through 68

67 (iii) greater than \$1,000,000, the tax is {~~\$42,500~~} ~~\$57,500~~ plus 7%
of state taxable income greater
68 than \$1,000,000.

3. Page 4, Lines 92 through 93:

92 (iii) greater than \$1,000,000, the tax is {~~\$42,500~~} ~~\$57,500~~ plus 7%
of state taxable income greater
93 than \$1,000,000.

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

Spoke in favor of the bill: Ms Allison Rowland, Voices for Utah Children
Mr. Jay Blain, Utah Education Association

Spoke in opposition to the bill: Mr. Royce Van Tassell, Utah Taxpayers Association
Mr. Connor Boyack, Libertas Institute

MOTION: Rep. Briscoe moved to pass the bill out favorably as amended. The motion failed with Rep. Anderegg, Rep. Froerer, Rep. Gibson, Rep. Hutchings, Rep. Knotwell, Rep. Sagers, Rep. Stanard, Rep. Nielson, and Rep. Wilcox voting in opposition and Rep. Eliason absent for the vote.

H.B. 98 Severance Tax Revisions (Rep. B. King)

MOTION: Rep. Hutchings moved to send HB98 to interim for further study. The motion passed with Rep. Anderegg, Rep. Sagers, Rep. Stanard, and Rep. Wilcox voting in opposition and Rep. Eliason, Rep. Froerer, and Rep. King absent for the vote.

H.B. 55 Amendments Related to Education Funding (Rep. J. Briscoe)

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

1. *Page 4, Lines 93 through 96:*

- 93 (b) [~~The preliminary estimate for the 2012-13~~] Beginning on January 1,
2013, the
- 94 minimum basic tax rate is [~~.001665~~] the greater of:
- 95 (i) ~~{-.001651}~~ .001691 ; or
- 96 (ii) the certified revenue levy.

The motion to amend passed unanimously with Rep. Froerer and Rep. King absent for the vote.

Rep. Briscoe introduced HB55 to the committee. Handouts were provided and a slide presentation was shown.

Spoke in favor of the bill: Mr. Jay Blain, Utah Education Association

Spoke in opposition to the bill: Mr. Royce Van Tassell, Utah Taxpayers Association

Spoke to the bill: Ms. Allison Rowland, Voices for Utah Children

MOTION: Rep. Cosgrove moved to pass HB55 out favorably as amended. The motion failed with Rep. Anderegg, Rep. Eliason, Rep. Gibson, Rep. Knotwell, Rep. Sagers, Rep. Stanard, Rep. Nielson, and Rep. Wilcox voting in opposition and Rep. Froerer absent for the vote.

2nd Sub. S.B. 58 Amendments to Sales and Use Tax (Sen. W. Harper)

Sen. Harper introduced the bill to the committee.

Spoke in favor of the bill: Mr Royce Van Tassell, Utah Taxpayers Association

MOTION: Rep. Eliason moved to pass 2nd Sub. SH58 out favorably. The motion passed with Rep. Stanard voting in opposition and Rep. Briscoe, Rep. Froerer, and Rep. King absent for the vote.

1st Sub. S.B. 124 Sales and Use Tax Exemption for Database Access (Sen. W. Harper)

Sen. Harper introduced the bill to the committee with co-sponsor Rep. Stratton and Mr. Bruce Johnson, Utah Tax Commissioner, assisting.

MOTION: Rep. Gibson moved to pass 1st Sub. SB124 out favorably. The motion passed unanimously with Rep. Briscoe, Rep. Froerer, and Rep. King absent for the vote.

MOTION: Rep. Eliason moved to place 1st Sub. SB124 on the Consent Calendar. The motion passed unanimously with Rep. Briscoe, Rep. Froerer, and Rep. King absent for the vote.

H.B. 197 Earned Income Tax Credit and Related Funding (*Rep. E. Hutchings*)

Rep. Hutchings introduced the bill to the committee.

Spoke in favor of the bill: Ms. Tracy Gruber, Voices for Utah Children
Mr. Jacob Brinkerhoff, Community Action Partnership of Utah
Ms. Jean Hill, Catholic Diocese

Spoke in opposition to the bill: Mr. Royce Van Tassell, Utah Taxpayers Association

MOTION: Rep. Gibson moved to pass the bill out favorably. The motion passed with Rep. Sagers, Rep. Stanard, and Rep. Nielson voting in opposition and Rep. Froerer absent for the vote.

MOTION: Rep. Anderegg moved to adjourn the meeting. The motion passed unanimously with Rep. Froerer absent for the vote.

Chair Wilcox adjourned the meeting at 7:10 p.m.

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