

1 **APPOINTMENT AND QUALIFICATION OF MEMBERS OF**
2 **THE STATE TAX COMMISSION**

3 2014 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Howard A. Stephenson**

6 House Sponsor: Ryan D. Wilcox

8 **LONG TITLE**

9 **General Description:**

10 This bill addresses the appointment and qualification of members of the State Tax
11 Commission.

12 **Highlighted Provisions:**

13 This bill:

14 ▶ repeals a provision from statute that remains in the Utah Constitution requiring that
15 no more than two members of the State Tax Commission may be from the same
16 political party;

17 ▶ amends provisions related to the appointment and qualification of members of the
18 State Tax Commission; and

19 ▶ makes technical and conforming changes.

20 **Money Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 None

24 **Utah Code Sections Affected:**

25 AMENDS:

26 **59-1-201**, as enacted by Laws of Utah 1987, Chapter 4

27 **59-1-202**, as last amended by Laws of Utah 2010, Chapter 356

29 *Be it enacted by the Legislature of the state of Utah:*

30 Section 1. Section 59-1-201 is amended to read:

31 **59-1-201. Composition of commission -- Terms -- Removal from office --**

32 **Appointment.**

33 (1) The commission shall be composed of four members appointed by the governor
34 with the consent of the Senate. [~~No more than two members may belong to the same political~~
35 ~~party. The]~~

36 (2) Subject to Subsection (3), the term of office of each commissioner shall be for four
37 years and expire on June 30 of the year the term ends. [~~Terms shall be staggered]~~

38 (3) The governor shall stagger a term described in Subsection (2) so that the term of
39 one commissioner expires each year. [~~Each]~~

40 (4) A commissioner shall hold office until a successor is appointed and qualified.[~~Any]~~

41 (5) (a) The governor may remove a commissioner [~~may, after notice and a hearing, be~~
42 ~~removed by the governor]~~ from office for neglect of duty, inefficiency, or malfeasance, after
43 notice and a hearing. [~~Any replacement]~~

44 (b) If the governor removes a commissioner from office and appoints another person to
45 replace the commissioner, the person the governor appoints to replace the commissioner:

46 (i) shall serve for the remainder of the unexpired term[~~: Any members otherwise~~
47 ~~qualified shall be eligible for reappointment.]; and~~

48 (ii) may be reappointed as the governor determines.

49 (6) (a) Before appointing a commissioner, the governor shall request a list of names of
50 potential appointees from:

51 (i) the Utah State Bar;

52 (ii) one or more organizations that represent certified public accountants who are
53 licensed to practice in the state;

54 (iii) one or more organizations that represent persons who assess or appraise property
55 in the state; and

56 (iv) one or more national organizations that:

57 (A) offer a professional certification in the areas of property tax, sales and use tax, and

58 state income tax;

59 (B) require experience, education, and testing to obtain the certification; and

60 (C) require additional education to maintain the certification.

61 (b) In appointing a commissioner, the governor shall consider:

62 (i) to the extent names of potential appointees are submitted, the names of potential
63 appointees submitted in accordance with Subsection (6)(a); and

64 (ii) any other potential appointee of the governor's own choosing.

65 Section 2. Section **59-1-202** is amended to read:

66 **59-1-202. Qualifications of members of commission.**

67 (1) [~~Members~~] Each member of the commission [~~shall have~~]:

68 (a) shall have significant tax experience that is relevant to holding office as a
69 commissioner;

70 (b) shall have knowledge of tax administration or tax compliance; [~~and~~]

71 (c) shall have executive and administrative experience[-]; and

72 (d) except for one member who has substantial knowledge and expertise in the theory
73 and practice of ad valorem taxation as described in Subsection (2)(a), shall have substantial
74 knowledge and experience in one or more of the following:

75 (i) the theory and practice of excise taxation;

76 (ii) the theory and practice of income taxation;

77 (iii) the theory and practice of sales and use taxation; and

78 (iv) the theory and practice of corporate taxation.

79 (2) (a) At least one member of the commission shall have [~~expertise~~] substantial
80 knowledge and experience in the theory and practice of ad valorem taxation.

81 [~~(b) At least one member of the commission shall have substantial knowledge in the~~
82 ~~theory and practice of excise, income, sales, and corporate taxation.~~]

83 (b) At least one member of the commission shall have substantial knowledge and
84 experience in the theory and practice of accounting.

85 (3) The membership of the commission shall represent composite skills in accounting,

86 auditing, property assessment, management, law, and finance.