

**MINUTES OF THE
HOUSE REVENUE AND TAXATION
STANDING COMMITTEE**

Room 445, State Capitol

February 25, 2015

Members Present: Rep. Daniel McCay, Chair
Rep. Jeremy A. Peterson, Vice Chair
Rep. Joel K. Briscoe
Rep. Rich Cunningham
Rep. Gage Froerer
Rep. Brian M. Greene
Rep. Eric K. Hutchings
Rep. Ken Ivory
Rep. Brian S. King
Rep. John Knotwell
Rep. Mike K. McKell
Rep. Douglas V. Sagers
Rep. Jon E. Stanard

Staff Present: Mr. Leif G. Elder, Policy Analyst
Ms. An Bradshaw, Secretary

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

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

H.B. 341 *Constitutional Debt (Rep. J. Knotwell)*

Rep. Knotwell explained the bill to the committee with the assistance of David Damschen, Chief Deputy State Treasurer.

MOTION: Rep. Cunningham moved to pass the bill out favorably. The motion passed with Rep. Briscoe and Rep. King voting in opposition and Rep. Hutchings, Rep. McCay, and Rep. McKell absent for the vote.

H.B. 327 *Personal Property Tax Amendments (Rep. Johnny Anderson)*

Rep. Anderson explained the bill to the committee with the assistance of Candace Daly, National Federation of Independent Businesses.

Spoke against the bill: Lincoln Shurtz, Utah Association of Counties
Billy Hesterman, Utah Taxpayers Association

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

1. *Page 1, Lines 11 through 14:*

- 11 This bill:
12 ▶ addresses a property tax exemption for certain tangible personal property;
13 { ~~addresses State Tax Commission rulemaking authority; and~~ }
▶ addresses a signed statement requirement with respect to the property tax exemption; and
14 ▶ makes technical and conforming changes.

2. *Page 3, Lines 70 through 78:*

- 70 (4) (a) For the first calendar year in which a taxpayer qualifies for an exemption
71 described in Subsection (2), a county assessor may require the taxpayer to file a signed
72 statement described in Section 59-2-306.
73 (b) Notwithstanding Section 59-2-306 and subject to
74 { ~~Subsection~~ } Subsections (4)(c) and (5), for a calendar
75 year in which a taxpayer qualifies for an exemption described in Subsection (2) after the
76 calendar year described in Subsection (4)(a), { ~~a signed statement described in~~
~~Section 59-2-306~~
~~with respect to the taxable tangible personal property that is exempt under~~
~~Subsection (2) may~~
77 ~~only require the taxpayer to certify, under penalty of perjury, that the taxpayer~~
~~qualifies for the~~
78 ~~exemption under Subsection (2)~~ } a county assessor may not require the taxpayer
to:
(i) file another signed statement; or
(ii) certify that the taxpayer qualifies for the exemption under Subsection (2)
(c) If a taxpayer that has claimed an exemption under Subsection (2) no longer
qualifies to claim the exemption, the taxpayer shall notify the county assessor in
writing on a form provided by the county assessor.

The motion passed with Rep. Hutchings voting in opposition and Rep. McCay, Rep. McKell, and Rep. Stanard absent for the vote.

MOTION: Rep. Cunningham moved to pass the bill out favorably as amended. The motion passed with Rep. Briscoe, Rep. Froerer, Rep. King, and Rep. Peterson voting in opposition and Rep. Ivory, Rep. Knotwell, Rep. McCay and Rep. Stanard, absent for the vote.

S.B. 62 Certified Tax Rates Amendments (Sen. W. Harper)

Sen. Harper explained the bill to the committee.

Spoke for the bill: Susan Pulsipher, Jordan School Board
Charles Evans, Canyons School District

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

1. *Page 1, Lines 12 through 14:*

- 12 ▶ provides for adjustments of the certified tax rates of school districts;
- 13 ▶ ~~{provides that a school district is not subject to certain}~~ addresses
notice and public hearing
- 14 requirements with respect to the certified tax rate adjustments;

2. *Page 7, Lines 196 through 198:*

- 196 (b) (i) A school district is not required to comply with the notice and public
hearing
- 197 requirements of Section 59-2-919 for an offset to the certified tax rate described in
Subsection
- 198 (9)(a).

(ii) If a school district's certified tax rate is increased in accordance with Subsection (9)(a)(i), the school district shall:

(A) on or before June 15, 2017, publish the statement provided in Subsection (9)(c) one or more times in a newspaper or combination of newspapers of general circulation in the taxing entity, in a portion of the newspaper where legal notices and classified advertisements do not appear;

(B) on or before June 30, 2017, read the statement provided in Subsection (9)(c) at a public meeting of the school district; and

(C) if the school district maintains a database containing electronic mail addresses of one or more persons who reside within the school district boundaries, send the statement provided in Subsection (9)(c) to those electronic mail addresses.

(c) For purposes of Subsection (9)(b)(ii), the statement is: "For calendar year 2017, the State Tax Commission is required to increase a property tax rate of this school

district to offset a loss in revenue due to the repeal of a statute to equalize certain school district property taxes. This offset may result in an increase in your property taxes."

The motion passed unanimously with Rep. Greene, Rep. Froerer, Rep. Ivory, Rep. McCay, and Rep. McKell absent for the vote.

MOTION: Rep. Briscoe moved to pass the bill out favorably as amended. The motion passed unanimously with Rep. Greene, Rep. Froerer, Rep. McCay, and Rep. McKell absent for the vote.

MOTION: Rep. Briscoe moved to adjourn the meeting. The motion failed with Rep. Briscoe, Rep. Hutchings, Rep. Ivory, and Rep. King voting in favor and Rep. Froerer, Rep. Knotwell, and Rep. McCay absent for the vote.

S.B. 78 School District Property Tax Amendments (*Sen. H. Stephenson*)

Sen. Stephenson explained the bill to the committee.

MOTION: Rep. Stanard moved to pass the bill out favorably. The motion failed with Rep. Briscoe, Rep. Cunningham, Rep. Hutchings, Rep. Ivory, and Rep. King voting in opposition and Rep. Froerer, Rep. Knotwell, and Rep. McCay absent for the vote.

MOTION: Rep. Briscoe moved to adjourn the meeting. The motion passed unanimously with Rep. Froerer, Rep. Knotwell, and Rep. McCay absent for the vote.

Vice Chair Peterson adjourned the meeting at 5:26 p.m.

Daniel McCay, chair

