

**UTAH STATE TAX COMMISSION
MEETING MINUTES**

9:00 a.m., Thursday, January 27, 2011

Commission Hearing Room 1025, 210 North 1950 West, Salt Lake City, Utah

Participating:

R. Bruce Johnson - Commission Chair
Marc B. Johnson - Commissioner
D'Arcy Dixon Pignanelli - Commissioner
Michael J. Cragun - Commissioner
Barry Conover - Interim Executive Director

Commission Staff Present:

Lynn Solarczyk, Legislative and Government Affairs Director
Christa Johnson, Commission Executive Assistant
Charlie Roberts, Public Information Officer
Shelley Robinson, Assistant Director, Auditing Division

Note: A list of others present, a copy of related materials and an audio recording of the meeting can be obtained from the Office of the Commission at 801-297-3901.

I. Call to Order

Commission Chair B. Johnson called the meeting to order at 9:00 a.m.

II. Public Comment (members of the public wishing to address the Commissioners for up to three minutes on matters not related to a pending or reasonably imminent appeal to the Tax Commission)

Commission Chair B. Johnson noted that no one wished to address the Tax Commissioners.

III. Consider Approving Minutes Of Previous Meetings

MOTION: Commissioner Dixon moved approval of the January 27, 2011 Commission Meeting minutes as presented. The motion passed unanimously.

IV. Commission Business

a. Consider Tax Commission positions on pending legislation

- i. Ratify positions taken at January 13, 2011 Commission Meeting:
 1. Tax Commission Bills (A): HB35, HB36, HB37, HB38, HB198, HB201, SB17, SB22 and SB24
 - Supports (B): HB206, SB16 and SB21

Explaining that the January 13, 2011 agenda did not adequately notify the public of the bills the Tax Commissioners would consider and that all of the bills which the Commissioners took action upon are noted on today's agenda.

MOTION: Commissioner Cragun moved to ratify those positions. The motion passed unanimously.

ii Recommended positions on 2011 Legislative bills:

There were no Tax Commission requested bills to consider.

In regards to recommended support of HB185 Commissioner Dixon asked that an informational sheet be prepared outlining the merits of the bill from the perspective of the Tax Commission

Commission Chair B. Johnson stated that he supported Commissioner Dixon's suggestion and asked that Ms. Solarczyk work with Commissioner Dixon and Commissioner M. Johnson.

MOTION: Commissioner Dixon moved to approve the Tax Commissioner support of HB 185. The motion passed unanimously.

b. Surplus Lines Insurance

Assistant Attorney General Clark Snelson explained that under a new interstate agreement covering surplus lines insurance, Utah will no longer collect a stamp fee. Instead the amounts previously collected will become part of the insurance tax. Because the Tax Commission is constitutionally and statutorily tasked with supervising all taxes in the state, he asked for guidance in developing legislation to address this new policy. Commission Chair B. Johnson asked Mr. Snelson to work with Commissioner Cragun on this issue.

c. Consider amending Administrative Rule R865-19S-78, Service Plan Changes for Labor and Repair Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104.

Commissioner Cragun said that there was no public comment brought to his attention on the proposed amendment.

Ms. Solarczyk stated that she did not receive any public comment on this current rule but did on the prior version of rule R865-19S-78 that the Commission let lapse. The comments Ms. Solarczyk received on the prior rule were used to clarify language in the current proposal.

MOTION: Commissioner Cragun moved to approve the amendment to Administrative Rule R865-19S-78, Service Plan Changes for Labor and Repair Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104. The motion passed unanimously.

V. Interim Executive Director's Report

Interim Executive Director Barry Conover reported on the status of hearing room 1026 and that they are considering installing a computer and audio system for about \$5,000.

Mr. Barry Conover said that the January 17, 2011 GenTax roll out includes six miscellaneous taxes and will be completed in June 2011.

Mr. Barry Conover reported that he joined Commission Chair B. Johnson to discuss the agency's budget at the January 19, 2011 Business, Economic Development, and Labor Appropriations subcommittee meeting.

Commissioner Dixon asked if yearly funding of the Farmland Assessment Study was still on the appropriations reduction list. She noted she was concerned about the study only being funded once every three years instead of every year.

Mr. Conover stated he would look into it and get back to her.

VI. Commissioner Reports

Commissioner Chair B. Johnson stated that in the State of the State Addresses Governor Gary R. Herbert assigned the Cabinet Members to review regulations and determine if any should be retained, modified or eliminated. Commission Chair B. Johnson asked Commissioner Cragun to take on this project.

VII. Adjourn

MOTION: Commissioner M. Johnson moved to adjourn. The motion passed unanimously.

Commission Chair B. Johnson adjourned the meeting at 9:50 a.m.

Approved on: Thursday, February 10, 2011

Attested: Christa Johnson
Executive Assistant
Utah State Tax Commission