

**UTAH STATE TAX COMMISSION
MEETING MINUTES**

9:00 a.m., Thursday, October 25, 2012

Commission Room 1000, 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 - Executive Director

Commission Office:

Christa Johnson, Commission Executive Assistant
Charlie Roberts, Public Information Officer

Executive Director's Office:

Scott Smith, Deputy Executive Director
Lynn Solarczyk, Director of Legislation

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 9:06 a.m.

- II. Public Comment** (Individuals or groups 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 asked if anyone wished to address the Tax Commissioners. There were no comments.

III. Consider withdrawing Rule R861-1A-12. Policies and Procedures Regarding Public Disclosure Pursuant to Utah Code Ann. Section 59-1-210 approved for submission to Division of Administrative Rules on October 11, 2012

Commissioner Cragun explained that at its last Meeting the Commission approved submitting a rule amendment that contained only one of the two changes requested by Salt Lake County. He explained that the Commission will need to start the process over again to correct the mistake.

IV. Approve submission of proposed rule amendments to Division of Administrative Rules for publication in Utah Register

- a. R861-1A-12. Policies and Procedures Regarding Public Disclosure Pursuant to Utah Code Ann. Section 59-1-210

Commissioner Cragun explained the amendment to rule R861-1A-12 is in response to a clarification request from Salt Lake County. The phrase “or allowed” is added in the rule text on lines twenty-six and thirty-seven.

Commissioner Cragun explained that the rules will be posted in the November 14, 2012 Bulletin. The 30-day public comment period will end on December 17, 2012. The earliest date for the rule to become effective is December 24, 2012 so the Commission will likely not take action before its first meeting in 2013.

MOTION: Commissioner Cragun moved to submit the rule amendment as presented to the Division of Administrative Rules. The motion passed unanimously.

V. Review comments received on proposed amendment to R861-1A-46 Procedures for Purchaser Refund Requests Pursuant to Utah Code Ann. Sections 59-1-1410 and 59-12-110

Commissioner Cragun stated that the Commission received public comments from Mr. Joe Knudsen, Mr. David Crapo and Mr. Steve Young. The concerns are mainly with the timeframe for the purchaser refund request and the threshold for sampling eligibility.

Commissioner Cragun reported that he has asked Mr. Conover to organize a working group with Taxpayer Services, Mr. Knudsen, Mr. Crapo and Mr. Young to discuss the issues.

Commission Chair B. Johnson stated that no action is necessary at this time.

VI. A Consider Amending Administrative Rules

- a. R861-1A-20. Time of Appeal Pursuant to Utah Code Ann. Sections 59-1-301, 59-1-501, 59- 2-1007, 59-7-517, 59-10-532, 59-10-533, 59-10-535, 59-12-114, 59-13-210, 63G-4-201, 63G-4- 401, 68-3-7, and 68-3-8.5
- b. R884-24P-33 Personal Property Valuation Guides and Schedules Pursuant to Utah Code Ann. Section 59-2-301

Commissioner Cragun explained that the proposed rule R861-1A-20 corrects statutory references. In the 2009 General Session the Legislature repealed Utah Code Sections 59-10-532 and 59-10-533 and enacted Utah Code Section 59-1-1410. The rule deletes references to the repealed laws and replaces them with the enacted statute.

Commissioner Cragun explained that the proposed amendment to Rule R884-24P-33 is an annual valuation guideline for personal property tax. Counties and property owners will use the valuation guidelines for 2013 personal property tax assessments.

Commissioner Cragun noted that Ms. Christa Johnson, Commissioners’ Executive Assistant received a call from Mr. Jonny Deeds who is with Crapo Smith and he stated that Crapo Smith has some concerns with the rule classifications. Commissioner Cragun stated that he believes the issue is pending on an appeal that is before the Tax Commission. He will work with the parties

and the Administrative Law Judge to ensure that the issue is resolved before the beginning of the year.

MOTION: Commissioner Cragun made a motion to adopt the rule amendments as proposed. The motion passed unanimously.

VII. Executive Director's Report

Mr. Conover stated that to remember Veterans Day and honor our veterans and military personnel, the Tax Commission has a special display in the main hallway again this year titled "The Hall of Honor and Heros." Employees are invited to bring a picture of themselves, or a related family member who have served or currently serve in the military. Mr. Conover thanked Commissioner Dixon for the recommendation and thanked Mrs. Karen Lingard and Mr. Charlie Roberts for their help with the display.

Mr. Conover reported that the interior of the Tax Commission building will be painted during the next month.

Mr. Conover explained that Google Apps will be live on Tuesday, November 13, 2012 for 18,000 Utah State employees. The Department of Technology Services will have as many available desk top supporter staff as they can to help with any issues as the state converts over to Google Apps.

Mr. Conover stated that today is the employee recognition luncheon for years of service and thanked all of the State Tax Commission employees for their service to the State of Utah.

VIII. Commissioners' Reports

Commission Chair B. Johnson reported on the 2012 Western States Association of Tax Administrators (WSATA) held in Redondo Beach, California. He explained that WSATA Meetings have been on hold for the last few years because of the financial and political difficulties of having a meeting in Hawaii. The 2013 conference will be held in Salt Lake City, Utah on October 6 through October 9, 2013, but Hawaii will be hosting the conference. He gave a summary of the main topics that were discussed at the conference in California. State tax administrators information sharing about taxpayers doing business regionally in the West; Idaho and Montana have joined together to address natural disaster resources; and Many state tax administrators including Utah are concerned about staff turnover. Many cited data that up to half of their staff are or will be eligible to retire within the next few years. Significant turnover will require attention to succession planning and training for new staff.

Commission Chair B. Johnson asked that Mr. Conover find out what Utah has in place for natural disasters.

Commissioner Cragun reported that the Commission will be holding a Special Commission Meeting on Friday, November 2, 2012. Mr. Craig Jolley, Assistant Division Director of Property Tax will give a presentation on Confidentiality Regulations Related to Property Taxes.

IX. Adjourn

Commission Chair B. Johnson adjourned the meeting at 9:57 a.m.

Approved on: Friday, November 2, 2012

Attested: Christa Johnson
Executive Assistant
Utah State Tax Commission