

**UTAH STATE TAX COMMISSION  
MEETING MINUTES**

9:00 a.m., Friday, November 02, 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  
Scott Smith – Deputy Executive Director  
Craig Jolley, Property Tax Assistant Division Director

**Commission Office:**

Christa Johnson, Commission Executive Assistant  
Charlie Roberts, Public Information Officer  
Jane Phan, Administrative Law Judge  
Kerry Chapman, Administrative Law Judge  
Clinton Jensen, Administrative Law Judge  
Jan Marshall, Administrative Law Judge  
Aimee Nielson-Larios, Administrative Law Judge

**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 9:04 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 Approving Minutes Of Previous Meetings**

**MOTION:** Commissioner Dixon moved approval of the Open and Closed Commission Meeting Minutes of Thursday, October 11, 2012 and the Commission Meeting Minutes of Thursday, October 25, 2012. The motion passed unanimously.

**IV. Adjourn to Closed Session**

**MOTION:** Commissioner Cragun moved that the Commissioners meet in closed session to discuss pending or reasonably imminent litigation. The motion passed with Commission Chair B. Johnson, Commissioner M. Johnson, Commissioner Dixon and Commissioner Cragun voting aye.

**V. Returned to Open Session**

Commission Chair B. Johnson called the meeting back to order at 9:39 a.m.

**VI. Consider settlements for the following cases:**

- a. AT&T v. The Utah State Tax Commission (3<sup>rd</sup> District Court/08021210, 090917027, 090916298, 120905755; 2<sup>nd</sup> District Court/100700287; USTC/11-1537)
- b. Kern River v. The Utah State Tax Commission (4<sup>th</sup> District Court/090404597,090401376; 3<sup>rd</sup> District Court/100911934)
- c. NorthWest Pipeline v. The Utah State Tax Commission (3<sup>rd</sup> District Court/09040597, 090904074,100911937)
- d. PacifiCorp v. The Utah State Tax Commission (Utah Supreme Court/20120709; 3<sup>rd</sup> District Court/090917701, 100908625, 110917609; 4<sup>th</sup> District Court/090403940; USTC/11-1538)
- e. Questar Gas v. The Utah State Tax Commission (3<sup>rd</sup> District Court/090902939, 090911078, 100911936)
- f. Questar Transportation v. The Utah State Tax Commission (3<sup>rd</sup> District Court/090902940, 090911079)
- g. Questar Pipeline v. The Utah State Tax Commission (3<sup>rd</sup> District Court/100913579, 090911077, 100911935)

Mr. Morris Jackson, General Manager of Questar Corporation's Tax Department, commented that he is pleased that the cases are being settled and supports the Commissioners' approval.

Commission Chair B. Johnson expressed his appreciation to Questar Corporations for their working relationship and appreciates the taxpayer's input.

**MOTION:** Commissioner Cragun moved to approve the settlement agreements as presented and to authorize counsel's signature on behalf of the Commissioners. The motion passed unanimously.

**VII. Consider settlement for River Gas Corporation v. The Utah State Tax Commission, Third District Court case no. 100907458**

**MOTION:** Commissioner Dixon moved to approve the settlement for River Gas Corporation v. The Utah State Tax Commission, Third District Court case no. 100907458 and to authorize counsel's signature on behalf of the Commissioners. The motion passed unanimously.

**VIII. Presentation on Confidentiality Regulations Related to Property Taxes -  
Craig Jolley, Assistant Division Director of Property Tax**

Mr. Craig Jolley, Assistant Division Director of Property Tax, gave a presentation on Confidentiality Regulations Related to Property Taxes and answered Commissioners' questions.

Mr. Jolley pointed out some potential conflicts with Utah Code 59-1-404(4) and Utah Administrative Rule R861-1A-37(6). Utah Code 59-1-404(4) states that the assessor (or other county or commission employee) shall disclose commercial information that is relevant to an action or proceeding, if the commercial information is obtained from the following: a real estate agent, an appraiser, a property manager or a property taxpayer other than a property taxpayer that is the subject of the action or proceeding, and Utah Administrative Rule R861-1A-37(6) states that commercial information disclosed during an action or proceeding may not be disclosed outside the action or proceeding by any person conducting or participating in the action or proceeding.

Commissioner M. Johnson asked Mr. Jolley to e-mail the Commissioners details about the potential conflict between the statute and the administrative rule.

Mr. Jolley said that he has some concerns with administrative rule R861-1A-26 which suggests that if a taxpayer requests document delivery by e-mail that the taxpayer waives any confidentiality rights to that document. The purpose of the rule is actually to notify taxpayers that e-mail containing confidential information may not be secure during transmission. After some discussion the Commissioners concluded that administrative rule R861-1A-26 should be re-written to resolve the issue.

Commissioner Dixon thanked Mr. Jolley for his presentation and asked if the Property Tax Division website has a general summary on property taxes for residential and commercial taxpayers.

Mr. Denny Lytle replied that the website has a general summary for confidentiality regulations related to property taxes for commercial and residential taxpayers.

**IX. Adjourn**

Commission Chair B. Johnson adjourned the meeting at 11:18 a.m.

**Approved on:** Thursday, December 13, 2012

**Attested:** Christa Johnson  
Executive Assistant  
Utah State Tax Commission