

**UTAH STATE TAX COMMISSION
PENDING MEETING MINUTES**

9:00 a.m., Thursday, June 27, 2013

Commission Room 1000, 210 North 1950 West, Salt Lake City, Utah

Participating:

R. Bruce Johnson - Commission Chair
D'Arcy Dixon Pignanelli - Commissioner
Michael J. Cragun - Commissioner
Robert P. Pero - 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 copy of related materials and an audio recording of the meeting can be found on the Tax Commission website: <http://tax.utah.gov/commission-office/meetings>.

I. Call to Order

Commission Chair Johnson called the meeting to order at 9:01 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 Johnson noted that no one from the public wished to address the Commissioners at this time.

III. Membership in the Multi-state Tax Compact

Commission Chair Johnson explained that due to the passage in the 2013 General Legislative Session of Senate Bill 247, Utah's membership in the Multi-state Tax Compact is repealed effective June 30, 2013 and the provisions will become effective July 1, 2013. The bill reenacts the Compact with the omission of Articles III, IV, and IX. Based on the Compact's preamble, the Multistate Tax Commission understands that Utah may retain full membership in the Compact through the bill's June 30, 2014 sunset. He recommends that the Utah State Tax Commission send a letter to the Multistate Tax Commission formally notifying them of Utah's status.

Commissioner Dixon asked Commission Chair Johnson to explain the background of the changes in 2013 Senate Bill 247 and define articles III, IV, and IX.

Commission Chair Johnson explained that the bill facilitates taxpayer convenience and compliance in the filing of tax returns and in other phases of tax administration and avoids duplicative taxation. Article III defines optional apportionment standards, Article IV contains the Uniform Division of Income for Tax Purposes Act (UDITPA) and Article IX contains optional arbitration provisions.

MOTION: Commission Chair Johnson moved to approve the letter and send the letter to the Multistate Tax Commission on behalf of the Utah State Tax Commission. The motion passed unanimously.

IV. Executive Director's Report

Mr. Conover reported that he, Commission Chair Johnson and Commissioner Dixon met with a consultant about upgrading the audio-visual equipment in Commission Hearing Room 1025.

Mr. Conover reported that Motor Vehicle and Motor Vehicle Enforcement Divisions are ahead of schedule on the VADRS project. The first full mock data conversion test will be conducted over the weekend. The mock will take the old motor vehicle files and move them into a test environment. The mock will test how long it takes for the file to convert and whether all the data is properly identified.

Mr. Conover reported the issuance of the last of the RSA tokens to Tax Commission employees. The tokens are used for additional security purposes by employees who have access to Federal tax information when logging on to state e-mail.

Mr. Conover reported the implementation of additional restrictions on employees' use of USB drives and CD drives on their computers.

V. Commissioners' Reports

Commissioner Cragun announced that his term of office ends June 30, 2013. He received notice from the Governor's Office that the Governor has reappointed him.

Commission Chair Johnson congratulated Commissioner Cragun.

VI. Adjourn

Commission Chair Johnson adjourned the meeting at 9:27 a.m.

Approved on: Thursday, August 22, 2013

Attested: Christa Johnson
Executive Assistant
Utah State Tax Commission