

**UTAH STATE TAX COMMISSION
MEETING MINUTES**

9:00 a.m., Thursday, June 12, 2014

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

Participating:

R. Bruce Johnson - Commission Chair
D'Arcy Dixon Pignanelli - Commissioner Excused
Michael J. Cragun - Commissioner
Robert P. Pero - Commissioner
Barry Conover - Executive Director

Commission Office:

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

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 9:00 a.m. and noted that Commissioner Dixon is excused.

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 asked if anyone wished to address the Tax Commissioners. There were no comments.

III. Consider Approving Commission Meeting minutes of Thursday, February 27, 2014.

MOTION: Commissioner Cragun moved to approve the Commission meeting minutes of Thursday, February 27, 2014. The motion passed unanimously.

IV. Consider Approving Motor Vehicle Enforcement Division Board Members

Mr. Barry Conover, Executive Director, explained that the Motor Vehicle Enforcement advisory board is made up of five members. Among those are licensed motor vehicle manufacturers, distributors, factory branch and distributor branch representatives, dealers, dismantlers, transporters, remanufacturers, and body shops. He said that two of the board members no longer qualify for membership on the Motor Vehicle Enforcement advisory board. He proposed that Sam Barber's position be filled by John Watson and Gary Petersen's position be filled by Chris Mantas.

MOTION: Commissioner Cragun moved to recommend that the Governor appoint John Watson and Chris Mantas to the Motor Vehicle Advisory Board. The motion passed unanimously.

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

- a. R865-19S-54. Governmental Exemption Pursuant to Utah Code Ann. Section 59-12-104.
- b. R865-19S-83. Pollution Control Facilities Pursuant to Utah Code Ann. Section 59-12-104.
- c. R884-24P-73. Urban Farming Assessment Pursuant to Utah Code Ann. Section 59-2-1703.

Commissioner Pero introduced the following proposed rule amendments for the Commission to consider and submit for publication to the Division of Administrative Rules:

The provisions of rule R865-19S-54 are now unnecessary. Statutory provisions adequately describe the state and its political subdivisions that receive the state sales tax exemption. No rule is necessary to allow federal entities a state sales tax exemption. In addition, examples of federal entities are contained in Tax Commission sales tax publications. Accordingly, this rule should be repealed.

The legislature enacted 2014 HB 31 codifying the language of rule R865-19S-83. Since this rule is no longer necessary, should be repealed.

The legislature also enacted 2014 SB 237 providing new statutory language for determining whether land is actively devoted to urban farming. Since rule R884-24P-73 is no longer necessary, should be repealed.

Commissioner Pero explained that the rules will be posted in the July 1, 2014, Bulletin. The 30-day public comment period will end July 31, 2014. The earliest date for the repeals to become effective is August 7, 2014.

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

VI. Tax Commission Items from the 2014 Legislative Session

Ms. Lynn Solarczyk, USTC Legislative Director, gave a summary of bills passed in the 2014 legislative general session that impact the Tax Commission.

VII. Executive Director's Report

Mr. Conover reported that Hearing Room 1025 audio-visual equipment replacement is in the process of being completed. The project should be complete by end of fiscal year 2014.

VIII. Commissioners' Reports

Commissioner Chair Johnson said that he attended the 2014 Federation of Tax Administrators (FTA) annual conference in St. Petersburg, Florida. He said that there were great presentations. He noted that the presentation by Frank Abagnale of Abagnale and Associates on Identity Theft and Fraud was of particular interest. He explained that Idaho is leading the Western States on information sharing and suggested that the presentations from the FTA be shared with interested divisions. The meeting materials and presentations can be found on the following website link: <http://www.taxadmin.org/fta/meet/14am/>

Mr. Conover emphasized that data security protection is the Tax Commission's highest priority.

Commission Chair Johnson said national efforts have been raised to update forms so that social security number information is collected from corporate officers only when absolutely necessary.

IX. Adjourn

Commission Chair Johnson adjourned the meeting at 9:32 a.m.

Approved on: Thursday, August 28, 2014

Attested: Christa Johnson

Executive Assistant

Utah State Tax Commission