

**Minutes of the
Administrative Rules Meeting of the
Utah State Tax Commission**

Friday, July 13, 2007 – 8:00 a.m. – Room 1025, Tax Commission Building

Commissioners Participating:

D'Arcy Dixon Pignanelli – Commissioner, Chair Administrative Rules

Pam Hendrickson – Commission Chair

R. Bruce Johnson – Commissioner

Marc B. Johnson – Commissioner

Staff Present:

Sheri McFall, Commission Administrative Assistant

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 297-3900.

1. Commission Business

Commissioner Dixon called the meeting to order at 8:03 a.m.

MOTION: Commissioner B. Johnson moved to approve the minutes of the Administrative Rule Meeting held on April 16, 2007. The motion passed unanimously.

2. Rule R861-1A-41 – Date of Assessment Pursuant to Utah Code Ann. Sections 59-1-302.1 and 59-1-706

Commissioner M. Johnson asked if the assessment date could be confused with the lien date.

Lynn Solarczyk, Director of Legislative and Government Affairs for the Tax Commission, responded that the last two lines in the rule clarifies the definition.

Commissioner M. Johnson indicated that the clause suffices his concern.

Kelly Wright, Salt Lake County District Attorney's office, agreed that he finds the phrase at the end of the rule sufficient.

MOTION: Commissioner M. Johnson moved approval of the rule. The motion passed unanimously.

3. Rule R865-19S-58 – Materials and Supplies Sold to Owners, Contractors and Repairmen of Real Property

MOTION: Commissioner Hendrickson moved approval of the rule. The motion passed unanimously.

4. R865-20T-2 – Methods of Paying Taxes on Cigarettes and Tobacco Products Pursuant to Utah Code Ann. Sections 59-14-205 and 59-14-303

MOTION: Commissioner Hendrickson moved approval of the rule. The motion passed unanimously.

5. R877-23V-4 – License Holder Prohibitions Pursuant to Utah Code Ann. Section 41-3-210

MOTION: Commissioner M. Johnson moved approval of the rule. The motion passed unanimously.

6. R877-23V-8 – Signs and Identification Pursuant to Utah Code Ann. Section 41-3-105

MOTION: Commissioner Hendrickson moved approval of the rule. The motion passed unanimously.

7. R877-23V-14 – Dealer Identification of Fees Associated with Issuance of Temporary Permits Pursuant to Utah Code Ann. Section 41-3-301 and 41-3-302

MOTION: Commissioner Hendrickson moved approval of the rule. The motion passed unanimously.

8. R884-24P-68 – Property Tax Exemption for Taxable Tangible Personal Property With a Total Aggregate Fair Market Value of \$3,500 or Less Pursuant to Utah Code Ann. Section 59-2-1115

Commissioner Hendrickson disclosed that she received an e-mail from Rep. Dougall regarding this rule asking what the rule was about. Commissioner Hendrickson responded to his e-mail, and has heard nothing further from him.

Commissioner M. Johnson asked when the determination of value is made.

Lynn Solarczyk, Director of Legislative and Government Affairs for the Tax Commission, responded that the value determination is made after apportionment.

Ruth Ann Jefferies, Property Tax Division Research Consultant, provided examples of why the value needed to be determined after the apportionment.

Commissioner B. Johnson commented that this change is necessary because it implements the changes made by legislation.

MOTION: Commissioner Hendrickson moved for approval of the rule. The motion passed unanimously.

9. Approval of Rules for submission to the Division of Administrative Rules for posting.

9.1 R861-1A-24 – Formal Adjudicative Proceedings

MOTION: Commissioner Hendrickson moved for approval to submit this rule to the Division of Administrative Rules for posting. The motion passed unanimously.

9.2 R861-1A-26 – Procedures for Formal Adjudicative Proceedings

Commissioner M. Johnson stated he has concern with submitting the rule for posting with the current paragraph concerning subpoenas.

Commissioner B. Johnson commented that subpoenas can be too broad and can contribute to an uneven playing field for those taxpayers who don't have representation.

MOTION: Commissioner B. Johnson moved to send the rule forward as is currently proposed and then work on the subpoena language.

Commissioner Hendrickson suggested they suspend holding all the rules to allow the Commission to continue its discussion.

Kelly Wright, Salt Lake County District Attorney's office, asked if the Commission had any questions concerning the written comments he had submitted regarding the proposed rule.

Commissioner B. Johnson indicated that the Commission did not have any questions regarding those comments.

Commissioner B. Johnson rescinded his motion to send the rule forward as is currently proposed and then work on the subpoena language.

MOTION: Commissioner M. Johnson moved to hold all three of the proposed rules, amend the language in proposed rule R861-1A-26, and send all rules up at the same time. The motion passed unanimously.

MOTION: Commissioner Hendrickson moved to rescind the motion to send rule R861-1A-24 to the Division of Administrative Rules for posting. The motion passed unanimously.

10. Adjourn

Commissioner Dixon adjourned the meeting at 8:33 a.m.

Approved:

November 27, 2007

Attested:

Cheryl Lee
Commission Executive Secretary