

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

December 4, 2008 • 8:00 a.m.
Commission Hearing Room 1025 • Tax Commission Building
210 North 1950 West • Salt Lake City, Utah

Participating:

D'Arcy Dixon Pignanelli – Commissioner, Chair Administrative Rules
Pam Hendrickson – Commission Chair
Marc Johnson - Commissioner

Excused:

R. Bruce Johnson – Commissioner

Commission Staff Present:

Cheryl Lee, Commission Executive Secretary

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 8:00 a.m.

- a. Commissioner Dixon asked for approval of the minutes of and September 9, 2008 and September 25, 2008.

MOTION: Commissioner Hendrickson moved approval of the minutes for September 9, 2008 and September 25, 2008. The motion passed unanimously.

2. Rule Items

2.1 Proposed Rules to be repealed due to statutory changes. Commissioner Dixon noted there were no public comments received on these rules.

- a. R865-12L-12 Leases and Rentals Pursuant to Utah Code Ann. Section 59-12-204.
- b. R865-12L-13 Repairman and Servicemen Pursuant to Utah Code Ann. Section 59-12-204.
- c. R865-19S-27 Retail Sales Defined Pursuant to Utah Code Ann. Sections 59-12-102 and 59-12-101(1)(g).

- d. R865-19S-29 Wholesale Sale Defined Pursuant to Utah Code Ann. 59-12-102.
- e. R865-19S-119 Certain Transactions Involving Food and Lodging Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104.
- f. R865-21U-3 Liability of Retailers Pursuant to Utah Code Ann. Section 59-12-107.
- g. R865-21U-15 Automobiles, Construction Equipment, and other Merchandise Purchased from Out-Of-State Vendors Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-107.
- h. R873-22M-23 Registration Information Update for Vintage Vehicle Special Group License Plates Pursuant to Utah Code Ann. Section 41-1a-1209.
- i. R884-24P-47 Uniform Tax on Aircraft Pursuant to Utah Code Ann. Sections 59-2-404, 59-2-1005, 59-2-1302 and 59-2-1303.

MOTION: Commissioner Hendrickson moved the rules as posted be approved. The motion passed unanimously.

2.2 Rule Language Proposed to be deleted. Commissioner Dixon noted there were no public comments received on these rules.

- a. R865-12L-6 Place of Transaction Pursuant to Utah Code Ann. Section 59-12-207.
- b. R865-19S-90 Telephone Service Pursuant to Utah Code Ann. Section 59-12-103.
- c. R865-19S-92 Computer Software and Other Related Transactions Pursuant to Utah Code Ann. Section 59-12-103.
- d. R865-19S-113 Sales Tax Obligation of Jeep, Snowmobile, Aircraft, and Boat Tour Operators, River Runners, Outfitters, and Other Sellers Providing Similar Services Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-107.
- e. R865-4D-2 Refund Procedures for Undyed Diesel Fuel Used Off-Highway or to Operate a Power Take-Off Unit, and Sales Tax Liability Pursuant to Utah Code Ann. Sections 59-13-301 and 59-13-304.

MOTION: Commissioner M. Johnson moved the rules as posted be approved. The motion passed unanimously.

2.3 Rule Language Proposed to be updated. Commissioner Dixon noted there were no public comments received on these 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, 63-46b-3, 63-46b-14, 68-3-7, and 68-3-8.5.
- b. R884-24P-53 2008 Valuation Guides for Valuation of Land Subject to the

Farmland Assessment Act Pursuant to Utah Code Ann. Section 59-2-515.

COMMENT: Commissioner Hendrickson stated she serves as Chair of the State Farmland Advisory Committee. She noted, for the record, they voted unanimously to recommend these Farmland Values to the Commission.

MOTION: Commissioner Hendrickson moved the rules as posted be approved. The motion passed unanimously.

2.4 Proposed Rule Amendments. Commissioner Dixon noted there were no public comments received on these rules.

- a. R865-14W-1 Mineral Production Tax Withholding Pursuant to Utah Code Ann. Sections 59-6-101 through 59-6-104.
- b. R865-19S-12 Filing of Returns Pursuant to Utah Code Ann. Sections 59-12-107 and 59-12-118.
- c. R884-24P-27 Standards for Assessment Level and Uniformity of Performance Pursuant to Utah Code Ann. Sections 59-2-704 and 59-2-704.5.
- d. R873-22M-20 Aircraft Registration Pursuant to Utah Code Ann. Sections 72-10-102, 72-10-109 through 72-10-112.

COMMENT: Commissioner Hendrickson noted the change in this rule using the term “reappraisal” to “a detailed review of property characteristics” is a result of discussions and review by appraisers and assessors in 2008. It was felt that the term “reappraisal” as used in the rule was inaccurate.

MOTION: Commissioner M Johnson moved the rules as posted be approved. The motion passed unanimously.

2.5 New Proposed Rules. Commissioner Dixon noted there were no public comments received on these rules.

- a. R865-6F-39 Definitions Related to Captive Real Estate Investment Trust and Foreign Real Estate Investment Trust Pursuant to Utah Code Ann. Section 59-7-101.
- b. R884-24P-70 Real Property Appraisal Requirements for County Assessors Pursuant to Utah Code Ann. Sections 59-2-303.1 and 59-2-919.1

MOTION: Commissioner Hendrickson moved the rules as posted be approved. The motion passed unanimously.

7. Other Items/Adjourn

Commissioner Hendrickson moved to adjourn. The motion passed unanimously.

Commissioner Dixon adjourned the meeting at 8:11 a.m.

Approved:

Attested: Cheryl Lee