

**UTAH STATE TAX COMMISSION
MEETING MINUTES**

9:00 a.m., Thursday, January 13, 2011

Commission Hearing Room 1025, 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
Barry Conover - Interim Executive Director

Commission Staff Present:

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

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 9:00 a.m.

II. Public Comment (members of the public 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 noted that no one wished to address the Tax Commissioners.

III. Consider Approving Minutes Of Previous Meetings

Commissioner Dixon asked that item 2.6 of the December 9, 2010 Administrative Rules Meeting minutes be revised as follows: "Commissioner Dixon stated her concern with airline valuation guides (AVG) has always been access to information on the transactions that determine the values. She prefers the methodologies currently outlined in rule; however, the proposed rule places emphasis on and provides for the continued use of the preferred methodologies while recognizing why use of an AVG may be warranted. She also wanted to make sure there was an open bidding process for use of a guide or guides. Finally, she thanked her fellow Commissioners Marc Johnson and Michael Cragun for leading the working group discussions that resulted in the proposed amendment"

MOTION: Commissioner Dixon moved approval of the November 16, 2010 Commission Meeting minutes as presented and the December 9, 2010 Administrative Rule Meeting minutes as revised. The motion passed unanimously.

IV. Commission Business

a. Annual Open and Public Meetings Act training by Assistant Attorney General Sheila Page.

Ms. Page gave a PowerPoint presentation on the Open and Public Meetings Act and answered questions from the Tax Commissioners.

b. Consider approving 2011 Notice of Scheduled Meetings

MOTION: Commissioner Cragun moved approval of the 2011 Notice of Scheduled Meetings. The motion passed unanimously.

COMMISSIONER COMMENT: Commissioner Dixon added although the Notice gives Room 1025 as the location Commission Meetings may be held in room 1026 later in the year.

c. Consider approving job announcement for executive director recruitment

Commissioner Cragun introduced this issue explaining that due to the vacancy in the agency's executive director position, he consulted with the agency's division directors and those employees who report directly to the executive director to develop a job description for inclusion in a job announcement. The Tax Commissioners reviewed and suggested adjustments to the job description as reflected in job announcement 22653. Finally, Commissioner Cragun thanked all who contributed to drafting the job description.

MOTION: Commissioner Michael Cragun moved to approve posting job announcement 22653 for executive director from Thursday, January 13, 2011 through Sunday, February 13, 2011.

AMENDED MOTION: Commissioner Dixon moved to approve posting job announcement 22653 for executive director from Thursday, January 13, 2011 through Tuesday, February 22, 2011.

COMMISSIONER COMMENT: Commissioner Cragun observed that extending the recruitment period to February 22, 2011, could hamper the Tax Commissioners' ability to interview candidates, identify an appointee, consult with the Governor and forward the appointment to the senate before the legislature's general session ends on March 10, 2011.

VOTE: The amended motion passed with Commission Chair B. Johnson, and Commissioners Dixon and Cragun voting in favor. Commissioner M. Johnson voted against the amended motion.

d. Consider extending Interim Executive Director's appointment to accommodate executive director recruitment

Commissioner Cragun introduced this item explaining that on November 16, 2010, the Tax Commissioners appointed Barry Conover as Interim Executive Director for the lesser of three

months or until the senate confirmed a permanent appointee. He noted that at that time, the Tax Commissioners hoped to follow the pattern established for the Governor's appointments by Utah Code section 67-1-1.5. However, because job announcement 22653 is open into February, the Tax Commission cannot appoint an executive director within three months of the position becoming vacant as the governor must do when making appointments.

MOTION: Commissioner Cragun moved to extend Barry Conover's appointment as Interim Executive Director through confirmation of a permanent executive director by the senate. The motion passed unanimously.

e. Consider Tax Commission positions on pending legislation

Director of Legislative and Government Affairs Lynn Solarczyk recommended that the Tax Commissioners identify the following pending legislation as bills requested by them (A bills): HB35, HB36, HB37, HB38, HB198, HB201, SB17, SB22 and SB24.

MOTION: Commission Chair B. Johnson moved to adopt the recommendation. The motion passed unanimously.

Ms. Solarczyk recommended that the Tax Commissioners take a position formally supporting (B bills) the following bills: HB206, SB16 and SB21.

MOTION: Commission Chair B. Johnson moved to adopt the recommendation. The motion passed unanimously.

COMMISSIONER COMMENT: Commissioner Dixon noted that while the Tax Commissioners take no position (C bills) on HB17 and SB11, the Commissioners have participated in development of the bills during the legislative interim and may be called upon to speak to related issues.

f. Consider designating Commissioner B. Johnson and Commissioner Cragun as liaisons to the Office of the Attorney General to direct litigation strategy

MOTION: Commissioner Dixon moved to approve designating Commissioner Bruce Johnson and Commissioner Michael Cragun as liaisons to the Office of the Attorney General to direct litigation strategy. The motion passed unanimously.

g. Consider authorizing the Office of the Attorney General to intervene on the Tax Commission's behalf in Utah Taxpayers Association, et. al., v. Utah County

MOTION: Commissioner Cragun moved to approve the Office of the Attorney General intervening on the Tax Commission's behalf in Utah Taxpayers Association, et. al., v. Utah County. The motion passed unanimously.

V. Interim Executive Director's Report

Interim Executive Director Barry Conover reported that he joined Commission Chair B. Johnson to discuss the agency's budget at the January 11, 2011 Business, Economic Development, and Labor Appropriations Subcommittee. He noted that he will attend the committee's January 19, 2011 meeting to answer any further questions and monitor its actions.

VI. Commissioner Reports

Commissioner Cragun reminded the Tax Commissioners of a pending amendment to Administrative Rule R861-1A-43 – Electronic Meetings Pursuant to Utah Code Ann. Section 52-4-207. The current rule limits electronic meetings to discussions of Administrative Rule actions. The amendment permits electronic participation in any public meeting of the Tax Commissioners. The public comment period ends on February 14, 2011, so the Tax Commissioners may want to consider the amendment at their February 24, 2011 regular meeting.

COMMISSIONER COMMENT: Commissioner Dixon thanked Commissioner Cragun for his efforts to organize this first meeting of 2011.

VII. Adjourn

MOTION: Commissioner M. Johnson moved to adjourn. The motion passed unanimously.

Commission Chair B. Johnson adjourned the meeting at 10:50 a.m.

Approved on: Thursday, January 27, 2011

Attested: Christa Johnson
Executive Assistant
Utah State Tax Commission