I. Call to Order

Commission Chair B. Johnson called the meeting to order at 9:00 a.m. then asked Commissioner M. Johnson to conduct the meeting.

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)

Commissioner M. Johnson noted that no one wished to address the Tax Commissioners

I. Consider Approving Minutes Of Previous Meetings

MOTION: Commissioner Cragun moved approval of the September 15, 2011 Commission Meeting minutes as presented. The motion passed unanimously.

II. Approve Submission of Proposed Rule R884-24P-53, 2012 Valuation Guides for Valuation of Land Subject to the Farmland Assessment Act Amendment to Division of Administrative Rules for publication in Utah Register

Commissioner Dixon as Chair of the State Farmland Evaluation Advisory Committee explained the development of the valuation guidelines in the proposed rule amendment. She stated the Property Tax Division of the Tax Commission contracts with Utah State University to do an independent study of productivity of land when devoted to farming or ranching. The State
Farmland Evaluation Advisory Committee meets to consider the values in that report and make a recommendation of values for the next year. The Committee met on October 5, 2011 and recommended the values in the rule amendment before the Commission.

**MOTION:** Commissioner Dixon moved submission of proposed rule R884-24P-53 2012 Valuation Guides for Valuation of Land Subject to the Farmland Assessment Act to the Division of Administrative Rules. The motion passed unanimously.

### III. Consider Amending Administrative Rules

- **R865-3C-1. Allocation of Net Income**
- **R865-12L-16. Notification to Tax Commission Upon Change in the Election to Collect County or Municipality Imposed Transient Room Taxes**
- **R865-13G-10. Exemption For Purchase of Motor Fuels by State and Local Government Agencies**
- **R865-15O-1. Oil and Gas Severance Tax**
- **R867-2B-1. Collection of Penalty**
- **R884-24P-28. Reporting Requirements For Leased or Rented Personal Property**
- **R884-24P-33. 2012 Personal Property Valuation Guides and Schedules**
- **R884-24P-42. Farmland Assessment Audits and Personal Property Audits**

Commissioner Cragun said that the rules have been open for public comment for 30 days and he is not aware that the Commission received any comments.

The amendment to Rule R865-12L-16 results from a statutory change; the Rule R884-24P-33 amendment is the annual update of the personal property valuation guides and schedules; and the remaining amendments came from the Governor’s Business Regulation Review and are designed to make the rules easier to follow or to conform to agency practice.

Commission Chair B. Johnson asked that Rule R865-3C-1 address intangibles in the future.

**MOTION:** Commissioner Cragun moved to approve the rule amendments as presented. The motion passed unanimously.

### IV. Consider Ratifying Withdrawal of Proposed Amendment to Administrative Rule R865-4D-19. Refund of Special Fuel Taxes Paid by Government Entities

Commissioner Cragun explained that a rule amendment was submitted twice to the Division of Administrative Rule once in June 2011 and again on August 11, 2011. The second submission was mistakenly withdrawn without formal action by the Commissioners.

**MOTION:** Commissioner Cragun moved to ratify the withdrawal of the foregoing proposed rule amendment. The motion passed unanimously.
V. Acceptance of Internal Audit

Commissioner Dixon, supervisor of the Internal Audit Unit in the Office of the Commission, recognized Mr. Doral Vance, Director of Internal Audit and Mr. Aman Kudiya, an internal auditor. She noted internal audits assist the Commission and the Executive Director in overseeing and improving the many processes at the Utah State Tax Commission.

**MOTION:** Commissioner Dixon moved acceptance of the Internal Audit Report 2011-2 Processing of Payments. The motion passed unanimously.

VI. Executive Director’s Report

Mr. Conover reported that Commission Chair B. Johnson, Julie Alsop, Budget Director and himself presented the agency budget to the Governor's Office of Planning and Budget. The report was well received and accepted.

Mr. Conover also reported on the GenTax rollout which includes insurance premium and other miscellaneous taxes. It is on budget and scheduled to be released December 12, 2011.

VII. Commissioners’ Reports

Commissioner Dixon asked Mr. Conover to take into consideration dedicating room 1026 and 1027 to the Office of the Commission for the Commissioners to have a public room with equipment and a conference table.

Commission Chair B. Johnson recognized the Property Tax Division on preparing the Personal Property schedules.

Commissioner Cragun reported that he met with county property tax officials throughout the state to demonstrate the JusticeWeb online appeals. He anticipates that Washington County and Salt Lake County will submit locally assessed property tax related appeals beginning next week.

VIII. Adjourn

**MOTION:** Commissioner Cragun moved for adjournment. The motion passed unanimously.

Commissioner M. Johnson adjourned the meeting at 9:38 a.m.

**Approved on:** Thursday, December 08, 2011

**Attested:** Christa Johnson  
Executive Assistant  
Utah State Tax Commission