

**UTAH STATE TAX COMMISSION
MEETING MINUTES**

8:30 a.m., Thursday, January 28, 2016

Commission Hearing Room 1025, 210 North 1950 West, Salt Lake City, Utah

Participating:

John L. Valentine – Commission Chair

Michael J. Cragun – Commissioner

Robert P. Pero – Commissioner

Rebecca L. Rockwell – Commissioner

Barry Conover – Executive Director

Commission Office:

Christa Johnson, Commission Executive Assistant

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 Valentine called the meeting to order at 8:30 a.m.

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

III. Approving Commission Meeting Minutes of Thursday, December 10, 2015

MOTION: Commissioner Cragun moved to approve the Commission Meeting minutes of Thursday, December 10, 2015. The motion passed unanimously.

IV. Consider Tax Commission positions on pending legislation

Commissioner Rockwell gave a summary of each bill.

1. H.B. 23, Privilege Tax Amendments. This bill modifies the privilege tax statute to reflect that “exclusive use” means against everyone but the landlord and any agent of the landlord. (This brings the law back to the pre-ATK decision and retrospective operation to January 1, 2015.)

MOTION: Commissioner Rockwell moved to designate H.B. 23, Privilege Tax Amendments as a (B) support bill. The motion passed unanimously.

Commissioner Rockwell explained bill positions: A=Tax Commission initiated bill and B=Tax Commission supports bill.

2. H.B. 24, Aeronautics Restricted Account Amendments. This bill amends the expenditure of revenues deposited into the Aeronautics Restricted Account to no longer allow aviation fuel tax revenues to be used in the support of aerial search and rescue operations; this legislation is necessary to bring the state into compliance with federal regulations on the use of aviation fuel tax revenues.

MOTION: Commissioner Rockwell moved to designate H.B. 24, Aeronautics Restricted Account Amendments as a (A) Tax Commission bill. The motion passed unanimously.

3. H.B. 170, Medical Care Savings Account Tax Credit. This bill repeals the medical care savings account tax credit; effective Jan. 1, 2017.

MOTION: Commissioner Rockwell moved to designate H.B. 170, Medical Care Savings Account Tax Credit as a (B) support bill. The motion passed unanimously.

4. S.B. 31, Tax Commission Levy Process. This bill enacts the Depository Institution Data Match System and Levy Act; provides procedures and requirements for the depository institution data match system and levy process, including: requiring the State Tax Commission to develop and operate the database in coordination with depository institutions; requiring the State Tax Commission to enter into agreements with depository institutions; requiring a depository institution to provide the State Tax Commission with certain information; establishing a levy process for collecting a liability from a delinquent taxpayer using the depository institution data match system; addressing duties of a depository institution and the State Tax Commission in relation to the depository institution data match system and levy process; addressing a reimbursement the State Tax Commission pays to a depository institution; addressing an amount levied or released in error; addressing the confidentiality and disclosure of information; addressing limits on a depository institution's liability; and granting rulemaking authority to the State Tax Commission; with an effective date of January 1, 2017.

Commission Chair Valentine noted that S.B. 31, Tax Commission Levy Process, has passed the Senate and is awaiting House action.

MOTION: Commissioner Rockwell moved to designate S.B. 31, Tax Commission Levy Process as a (A) Tax Commission bill. The motion passed unanimously.

V. Annual Open and Public Meetings Act training

Commissioner Cragun gave a presentation on Utah's Open and Public Meetings Act.

VI. Executive Director's Report

Mr. Conover reported that the 2015 legislative bill S.B. 250, Income Tax Revisions, went into effect on January 1, 2016. This bill requires an employer to file W-2s and 1099Rs electronically with the Tax Commission on or before January 31, 2016; imposes penalties for failure to file the forms electronically and accurately; prohibits the State Tax Commission from issuing an individual income tax refund prior to March 1, unless the employer and employee have both filed forms and returns as required. He noted that about 50 percent of employers have filed and that staff will be working Saturday, January 30 and Sunday, January 31 from 8:00 a.m. to 5:00 p.m. and until midnight on Monday, February 1, to help employers who have not yet filed.

VII. Adjourn

Commission Chair Valentine adjourned the meeting at 8:55 a.m.

Approved on: Thursday, April 14, 2016

Attested: Christa Johnson

Executive Assistant

Utah State Tax Commission