

**UTAH STATE TAX COMMISSION  
MEETING MINUTES**

9:00 a.m., Thursday, November 9, 2017

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 *Excused*  
Rebecca L. Rockwell – Commissioner  
Scott Smith – Deputy 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 9:00 a.m. and noted that Commissioner Pero and Mr. Conover are excused.

**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. Consider Approving Commission Meeting minutes of October 26, 2017**

**MOTION:** Commissioner Cragun moved to approve the Commission Meeting Minutes of October 26, 2017. The motion passed unanimously.

**IV. Consider Amending Administrative Rules**

- 1. Rule R861-1A-42. Waiver of Penalty and Interest for Reasonable Cause**
- 2. Rule R884-24P-33. 2018 Personal Property Valuation Guides and Schedules**

Commissioner Rockwell explained that the following proposed rule amendments are for the Commission to consider adopting. The rules were published in the Utah Bulletin on October 1, 2017 and the public comment period ended on October 31, 2017. We did not received any public comment on either rule.

Rule R861-1A-42. Waiver of Penalty and Interest for Reasonable Cause. The proposed amendment expands the circumstances that may constitute reasonable cause to waive a penalty to include failure by a tax advisor to file a return or make a tax payment on behalf of a taxpayer that has exercised ordinary business care, prudence, and diligence in determining whether to seek further advice.

**MOTION:** Commissioner Rockwell moved to adopt the amendment to Rule R861-1A-42. Waiver of Penalty and Interest for Reasonable Cause. The motion passed unanimously.

Rule R884-24P-33. 2018 Personal Property Valuation Guides and Schedules. Utah Code Section 59-2-107 authorizes the Utah State Tax Commission to promulgate rules that define classes of items considered to be personal property and provide valuation percent good schedules to value locally assessed personal property. County assessors must use the percent good schedules as contained in this rule. Any deviation which affects an entire class or type of personal property requires a written report documenting the schedule change to be submitted to the Tax Commission for approval prior to use.

Billboards have historically been listed under Class 16. With new LED display technology, certain components of billboards depreciate faster than other components of the billboard, based on evidence and documentation presented to the commission by industry representatives. For 2018, “LED component of a billboard” will be listed under Class 5 (line 208). Under Class 16, the item “billboards” will be changed to “billboard (excluding LED component)” (line 499).

**MOTION:** Commissioner Rockwell moved to adopt the amendment to Rule R884-24P-33. 2018 Personal Property Valuation Guides and Schedules. The motion passed unanimously.

## **V. Commissioners’ Reports**

Commission Chair Valentine reported he will be traveling next week for the Multistate Tax Commission Conference. He stated that he would only be attending the last two days of the conference, due to the last Legislative Interim meeting on Wednesday.

## **VI. Adjourn**

Commission Chair Valentine adjourned the meeting at 9:06 a.m.

**Approved on:** Thursday, November 30, 2017

**Attested:** Christa Johnson

Executive Assistant, Utah State Tax Commission