

**UTAH STATE TAX COMMISSION
MEETING MINUTES – OPEN SESSION**

9:00 a.m., Thursday, August 23, 2018

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
Scott W. Smith – Interim Executive Director

Commission Office:

Jennifer Franklin, 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 9:09 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. Consider Approving Special Commission Meeting minutes of Tuesday, August 14, 2018

MOTION: Commissioner Pero moved to approve the Special Commission Meeting minutes of Tuesday, August 14, 2018. The motion passed unanimously.

IV. Consider Publication Revisions

Commission Chair Valentine asked if the public wished to address to Tax Commissioners regarding Publication Revision 54: “Sales Tax Information for Public Utilities” and Publication Revision 68: “Pass-through Entity Withholding”. There were no comments. Commission Chair Valentine recognized that this was information only, not an action item, and that the Publications will go forward.

V. Commissioners’ Reports

The Commissioners had nothing to report.

VI. Interim Executive Director’s Report

Commission Chair Valentine recognized Scott Smith as the new Interim Executive Director and turned the time over to him.

Interim Executive Director Scott Smith spoke of the two meetings he attended in the past month. The first one being the FTA Technology Conference, in which the focus was on insider threat and the security of employees. He noted that before Barry Conover retired as Executive Director, he moved our physical security person, Tiffany Harms-Jensen, so that she sits closer to our computer technology security person, Bobette Phillips, in order to enhance our physical security. He also noted that installation of the magnetometer should be installed by the end of August, 2018.

Interim Executive Director Scott Smith's second meeting was held by FAST Enterprises, wherein they performed a demonstration of the IRP (International Registration Plan). The IRP system is moving from the "tax side" over to the "motor vehicle side" in order to enhance customer service. This move will enable customers to only have to enter their information once.

Commission Chair Valentine stated that on 8/22/18, Interim Executive Director Scott Smith provided him with a copy of the "Security Site Plan" for this facility. Commission Chair Valentine indicated that the plan will need to be amended once the magnetometer is in place in order to define the post requirements for the individual from our contract security company that will staff the security position for the entrance to the hearing rooms.

VII. Consider accepting settlement offer in Royal Street v. Utah State Tax Commission, (Utah Third Judicial District Court, No. 180904652). The matter was moved from Third District Court to the Eighth District Court for Duchesne County and reassigned with the number 180800038.

I. Adjourn to Closed Session

MOTION: Commissioner Cragun moved that the Commissioners meet in a closed session to discuss pending or reasonably imminent litigation. Vote on the motion was placed by Commission Chair Valentine with Commission Chair Valentine, Commissioner Cragun, Commissioner Pero, and Commissioner Rockwell voting aye.

VIII. Return to Open Session

Commission Chair Valentine called the meeting back to order at 9:26am and stated that they met with legal counsel during the closed session to discuss pending litigation the matter of Royal Street v. Utah State Tax Commission, now being held in the Eighth District Court for Duchesne County under appeal number 180800038.

Commission Chair Valentine asked Commissioner Cragun to try a motion on the agreement. Commissioner Cragun moved to approve the principles of the settlement offer received in the Royal Street v. USTC. to resolve tax years 2014, 2015 and 2016 including the subsequently issued statutory notice and authorize counsel's signature on the documents once they're prepared.

Commission Chair Valentine called for a vote on the motion that would authorize the Tax Commission's legal counsel to sign the settlement on behalf of the Commission for the years on appeal in the Eighth District Court only. There was no debate on the motion. The settlement was approved by unanimous vote. Legal counsel was given authority to sign on behalf of the Commission, settling the matter, provided that it was consistent with the principles outlined in Commissioner Cragun's motion.

There were no further matters.

IX. Adjourn

Commission Chair Valentine recognized Commissioner Cragun as making a motion to adjourn. The motion to adjourn passed unanimously at 9:28am.

Approved on: September 10, 2018
Attested: Jennifer Franklin
Executive Assistant, Utah State Tax Commission