

**UTAH STATE TAX COMMISSION
MEETING MINUTES**

9:00 a.m., Thursday, February 28, 2019

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

Participating:

John L. Valentine – Commission Chair

Michael J. Cragun – Commissioner

Rebecca L. Rockwell – Commissioner

Lawrence C. Walters – Commissioner

Scott W. Smith – 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 9:00 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 called for public comments; there were none.

III. Consider Approving Commission Meeting Minutes of February 14, 2019

MOTION: Commissioner Walters moved to approve the Commission Meeting Minutes of February 14, 2019. The motion passed unanimously.

IV. Consider Tax Commission position on pending legislation

1. [S.B. 211](#) – Tax Administrative Remedies Amendments (*Sen. Bramble, C.*)

S.B. 211 – Tax Administrative Remedies Amendments. This bill provides that a party in a tax proceeding has not exhausted the party's administrative remedies unless the party requests a formal hearing before the State Tax Commission within the time provided by law and the commission has issued a final unappealable administrative order.

Commissioner Rockwell indicated that there is an issue currently being considered by the Court of Appeals and requesting this bill was necessary due to the amount of time the judicial process can take to solve a matter.

MOTION: Commissioner Rockwell moved that the Commission support S.B. 211 – Tax Administrative Remedies Amendments. The motion passed unanimously.

- V. Consider Publication Revisions**
1. Publication 25: Sales and use Tax General Information
 2. Publication 57: Military Personnel Instructions

Commission Chair Valentine called on Tax Commission Research Consultant, Jason Gardner, to explain why Publication 25 is being considered for a second time this month. Mr. Gardner explained that due to an error in the first publication relating to the rates imposed on pre-paid disposable phones and corresponding pre-paid minutes, the rate change needed to be effective February 14, 2019.

The change in Publication 25 being considered today relates to Medicaid expansion which increases the sales tax rate from 4.7% to 4.85%. The change will take effect April 1, 2019.

There were no comments regarding Publication 57.

VI. Commissioners' Reports

Commissioner Rockwell gave a brief summary regarding tax reform undertakings in the Legislature, particularly the tax reform bill that expands the base to include a broad-based sales tax on services.

She also touched on the Marketplace bill that extends collection and remittance obligations to Marketplace sellers. It is unclear at this point where this legislation will go; the Tax Commission will continue to monitor the situation.

She noted that Senate Bill 211 is moving through the system, but the Commission has not received any questions at this time.

VII. Executive Director's Report

Executive Director Scott W. Smith did not have anything to report.

VIII. Adjourn

MOTION: Commissioner Cragun moved that the Commissioners adjourn. The motion passed unanimously.

Commission Chair Valentine adjourned the meeting at 9:11 a.m.

Approved on: March 14, 2019

Attested: Jennifer Franklin

Executive Assistant, Utah State Tax Commission