

**UTAH STATE TAX COMMISSION
MEETING MINUTES**

9:00 a.m., Thursday, June 27, 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:

Brooke Adams, Appeals Unit Legal Secretary, Utah State Tax Commission

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

III. Consider Approving Commission Meeting minutes of Thursday, June 13, 2019

MOTION: Commissioner Walters moved to approve the Commission Meeting minutes of Thursday, June 13, 2019. The motion passed unanimously.

IV. Approve submission of proposed rule amendments to the Office of Administrative Rules for publication in Utah Bulletin

1. R861-1A-9. State Board of Equalization Procedures Pursuant to Utah Code Ann. Sections 59-2-212, 59-2-1004, and 59-2-1006.
2. R865-9I-2. Determination of Utah Resident Individual Status Pursuant to Utah Code Ann. Section 59-10-136.
3. R873-22M-17. Standards for State Impound Lots Pursuant to Utah Code Ann. Section 41-1a-1101.

MOTION: Commissioner Rockwell presented each rule amendment for the Commission to consider and submit for publication to the Office of Administrative Rules. Publication of each rule will occur on July 15, 2019 in the *Utah Bulletin* and the public comment period will end on August 14, 2019.

Commissioner Rockwell moved to submit each of the proposed rule amendments to the Office of Administrative Rules individually. Commission Chair Valentine placed debates on each motion for debate. There were no debates and each motion passed unanimously. All rule amendments will be referred to the Office of Administrative Rules for publication.

Commission Chair Valentine asked if there were any questions regarding Commissioner Rockwell's presentation of the proposed rule amendments. There were none.

Vote on the motion was placed by Commission Chair Valentine with Commission Chair Valentine, Commissioner Cragun, Commissioner Walters, and Commissioner Rockwell voting aye.

V. Consider Publication Revision

1. Publication 25: Sales and Use Tax General Information

Commission Chair Valentine called for public comment on the Publication. There were none.

VI. Commissioners' Reports

Commissioner Walters spoke on the Federation of Tax Administrators annual meeting that he and Commission Chair Valentine attended in Indianapolis the week of June 23rd. During the meeting, Commissioner Walters attended a session on the importance of data analytics and how we can improve them in our current processes. The head of Moody Analytics presented on the state of the economy and offered insights as to the possibility of a nationwide recession in the near future.

He also attended a session concerning Private Letter Rulings, in particular, the state of Kentucky's revision of their PLR process. The group consensus was that PLR's should take between 60 and 90 days. Currently, the PLR process in Utah is taking significantly longer than that.

Commission Chair Valentine stated that Commissioner Rockwell was recently reconfirmed by the Utah Senate to serve as a Tax Commissioner for another four years. Commissioner Rockwell expressed her gratitude to the Commission and her appreciation for the opportunity.

He also commented on his visit to the FTA annual meeting wherein they discussed the master settlement in the tobacco supplement that Utah and many other states signed. Enforcing tobacco regulations after recent Supreme Court actions as it relates to Sovereign Tribes will be a challenge that Utah will have to examine.

He commented on the closed one-on-one meeting that he and Commissioner Walters had with the new Commissioner of the Internal Revenue Service, Charles Rettig. Commissioner Rettig stated that he is especially interested in changing over from the current legacy computer system that the IRS uses to a more modern system, which Congress has approved. He pledged to be a partner with the tax agencies of each state.

VII. Executive Director's Report

Executive Director Scott Smith noted that today is the Employee Appreciation Picnic for the employees of the Tax Commission in order to express gratitude for their hard work and dedication to the citizens of Utah.

VIII. Consider Settlement Agreement for PacifiCorp, Inc., v. Utah State Tax Commission v. Beaver County et. al., Case No. 180903986TX Second Judicial District Court

IX. Adjourn to Closed Session

MOTION: Commissioner Cragun moved that the Commissioners meet in closed session to discuss pending or reasonably imminent litigation. The motion passed with Commission Chair Valentine, Commissioner Cragun, Commissioner Rockwell, and Commissioner Walters voting aye.

X. Return to Open Session

Commission Chair Valentine called the meeting back to order at 9:50 a.m.

XI. MOTION: Commissioner Cragun moved that the Commission decline the settlement agreement for PacifiCorp Inc., v. Utah State Tax Commission v. Beaver County et. al., Case No. 180903986TX Second Judicial District Court. The motion passed unanimously.

XII. Adjourn

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

Commission Chair Valentine adjourned the meeting at 9:52 a.m.

Approved on: July 11, 2019

Attested: Jennifer Franklin
Commission Executive Assistant
Utah State Tax Commission