

**UTAH STATE TAX COMMISSION
MEETING AGENDA**

9:00 a.m., Thursday, May 14, 2020

Via Google Hangouts, 210 North 1950 West, Salt Lake City, Utah

I. Call into Meeting 1-470-735-3668 PIN: 543363603

II. Meeting called to order at 9:00am

Participating:

John L. Valentine – Commission Chair

Michael J. Cragun – Commissioner

Rebecca L. Rockwell – Commissioner

Lawrence C. Walters – Commissioner

Scott Smith – Executive Director

III. 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: Ask if anyone wishes to address the Tax Commissioners (individuals or groups for up to three minutes on matters not related to a pending or reasonably imminent appeal to the Tax Commission). There was no public comment.

IV. Consider approving Commission Meeting Minutes of April 23th, 2020

MOTION: Commissioner Walters moved to approve the Commission Meeting Minutes of April 23th, 2020. The motion passed unanimously.

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

1. R865-19S-35. Residential or Commercial Use of Gas, Electricity, Heat, Coal, Fuel Oils or Other Fuels Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104.
2. R865-19S-85. Sales and Use Tax Exemptions for Certain Purchases by a Manufacturing Facility Pursuant to Utah Code Ann. Section 59-12-104.
3. R865-19S-99. Sales and Use Taxes on Vehicles Purchased in Another State Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104.
4. R877-23V-23. Secure Areas Pursuant to Utah Code Ann. Sections 53-1-102, 53-5-710, 76-8-311.1, and 76-10-523.5.

Commissioner Rockwell: The following proposed rule amendments are for the Commission to consider and submit for publication to the Office of Administrative Rules. The rules will be published in the *Utah State Bulletin* on May 15, 2020 and the public comment period will end on June 14, 2020.

1. R865-19S-35. Residential or Commercial Use of Gas, Electricity, Heat, Coal, Fuel Oils or Other Fuels Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104. Removes language from the rule regarding the sales taxation of fuels furnished at a single meter for residential, commercial and industrial use because the situation was addressed in statute under 2020 HB 56.

MOTION: Commissioner Rockwell moved to submit the proposed rule amendment R865-19S-35. Residential or Commercial Use of Gas, Electricity, Heat, Coal, Fuel Oils or Other Fuels Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104.

Commissioner John Valentine took a roll call vote and the motion passed unanimously

2. R865-19S-85. Sales and Use Tax Exemptions for Certain Purchases by a Manufacturing Facility Pursuant to Utah Code Ann. Section 59-12-104. Clarifies consistent with 2018 SB 2001 and current practice that items incorporated into the manufacturing process of tangible personal property to be sold are exempt from sales and use tax.

MOTION: Commissioner Rockwell moved to submit the proposed rule amendment R865-19S-85. Sales and Use Tax Exemptions for Certain Purchases by a Manufacturing Facility Pursuant to Utah Code Ann. Section 59-12-104.

Commissioner John Valentine took a roll call vote and the motion passed unanimously

3. R865-19S-99. Sales and Use Taxes on Vehicles Purchased in Another State Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104. This rule is being repealed because the sales and use taxation of vehicles purchased in another state is adequately addressed in Utah code.

MOTION: Commissioner Rockwell moved to submit the proposed rule amendment R865-19S-99. Sales and Use Taxes on Vehicles Purchased in Another State Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104.

Commissioner John Valentine took a roll call vote and the motion passed unanimously

4. R877-23V-23. Secure Areas Pursuant to Utah Code Ann. Sections 53-1-102, 53-5-710, 76-8-311.1, and 76-10-523.5. The proposed rule clarifies that a firearm, ammunition, a dangerous weapon, or an explosive is prohibited from any area designated as secure and operated by the Motor Vehicle Enforcement Division.

MOTION: Commissioner Rockwell moved to submit the proposed rule amendment R877-23V-23. Secure Areas Pursuant to Utah Code Ann. Sections 53-1-102, 53-5-710, 76-8-311.1, and 76-10-523.5.

Commissioner John Valentine took a roll call vote and the motion passed unanimously

VI. Consider Publication Revisions

1. Publication 5: Sales Tax Information for Vehicle and Watercraft Dealers and Body and Repair Shops
2. Publication 55: Sales Tax Information for Restaurants
3. Publication 25: Sales and Use Tax General Information
4. Publication 56: Sales Tax Information for Lodging Providers

VII. Commissioners' Reports

Commissioner Rockwell wanted to inform everyone that the Streamlined Sales Tax Administration cancelled their in person meeting but will be meeting remotely. Commissioner Rockwell plans on attending those meetings as the Utah delegate. She will give a report at the next Commission Meeting

Commissioner Valentine has been nominated to be president of the Federal Tax Administration.

VIII. Executive Director's Report

Scott Smith reported a flood in the processing center here at the Tax Commission Building. People have been moved to continue work in a safe place.

IX. Adjourn