

**UTAH STATE TAX COMMISSION
PENDING MEETING MINUTES**

9:00 a.m., Thursday, July 9, 2020

Via Google Hangouts, 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 Smith – Executive Director

Commission Office:

Chantay Asper, 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. Join Google Hangouts Meeting by calling 1-315-754-3264 PIN: 494509564

II. Call to Order

Commission Chair Valentine called the meeting to order at 9:00 a.m.

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)

There was no public comment

I. Consider approving Commission Meeting Minutes of June 11, 2020

MOTION: Commissioner Walters moved to approve the Commission Meeting Minutes of June 11, 2020. The motion passed unanimously.

IV. Consider amendment of Administrative Rule

Commissioner Rockwell: The following rule was published in the *Utah State Bulletin* on May 15, 2020 and the public comment period ended on June 14, 2020. We did not receive any public comments on the rules.

1. R877-23V-24. Advisory Board Procedures Pursuant to Utah Code Ann. Section 41-3-106

MOTION: Commissioner Rockwell moved to adopt the amendment to R877-23V-24. Advisory Board Procedures Pursuant to Utah Code Ann. Section 41-3-106. This proposed rule specifies the requirements for the motor vehicle advisory board to conduct electronic meetings consistent with the Utah Open and Public Meeting Act.

Commission Chair John Valentine took a roll call vote and the motion passed unanimously.

Commissioner Rockwell: The following rules was published in the *Utah State Bulletin* on June 1, 2020 and the public comment period ended on July 1, 2020. We did not receive any public comments on the rules.

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.

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.

MOTION: Commissioner Rockwell moved to adopt the amendment to 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.

Commission Chair 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.

MOTION: Commissioner Rockwell moved to adopt the amendment to 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.

Commission Chair 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.

MOTION: Commissioner Rockwell moved to adopt the amendment to 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.

Commission Chair 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.

MOTION: Commissioner Rockwell moved to adopt the amendment to 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.

Commission Chair John Valentine took a roll call vote and the motion passed unanimously.

V. Commissioners' Reports

No reports

VI. Executive Director's Report

Scott Smith thanked the public for helping to comply with the Governor's executive order for wearing masks in public buildings. We have implemented employee health screenings and so far have not had anybody with an elevated temperature. Thanks to the employees for complying with this. The Tax Commission has had one additional employee test positive for COVID-19. They are working remotely and had not been in the building.

VII. Adjourn

Commission Chair Valentine adjourned the meeting at 9:17 a.m.

Approved on:

Attested: Chantay Asper

Executive Assistant

Utah State Tax Commission