

UTAH STATE TAX COMMISSION

APPROVED MINUTES

9:00 a.m., Thursday October 24th, 2024

Via Zoom, 210 North 1950 West, Salt Lake City, Utah

Participating:

John L. Valentine – Commission Chair – In person
Michael J. Cragun – Commissioner – Via Zoom
Rebecca L. Rockwell – Commissioner – In person
Scott Smith – Executive Director – In Person

Commission Office:

Deanna Herring, Deputy Executive Director – Via Zoom
Jason Gardner, Director of Policy and Affairs – In person
Cole McAfee – Assistant Division Director – In person
Allan Shinney – Senior Director – In person
Larry Ball – Division Director – In person
Denny Lytle – Division Director – Via Zoom
Jennifer Hansen – Division Director – Via Zoom
Alex Urosevic, Economist – Via Zoom
Chantay Asper, Executive Assistant – Via Zoom
Josh Nielson, Division Director – Via Zoom

I. Join Zoom Meeting:

<https://utah-gov.zoom.us/j/4208855798?pwd=cGP3L0L57UddT8IPs86R1iEc9IEZQN.1&omn=88998064296>

Meeting ID: 420 885 5798
Passcode: 9G#jviG7

Dial in by
1 253 215 8782 or 1 346 248 7799

Meeting ID: 420 885 5798
Passcode: 44807370

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)

Commission Chair Valentine asked if anyone wished to address the Tax 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

- V. Consider approving Special Commission Meeting Minutes of September 26th and the Special Commission Meeting Minutes of September 30th, 2024 *[action item]*

MOTION: Commissioner Cragun moved to approve the September 26th and the Special Commission Meeting Minutes of September 30th, 2024.

- VI. Consider County Board of Equalization requests for the extension of the time period for a county board of equalization to make a decision on an appeals *[action item]*

Commissioner Cragun: The Commission received a written request from the Salt Lake County Board of Equalization, Grand County Board of Equalization, Millard County Board of Equalization, Weber County Board of Equalization, Utah County Board of Equalization, Davis County Board of Equalization, Summit County Board of Equalization and the Carbon County Board of Equalization to extend the time period set by Utah Code Ann. §59-2-1004(7)(c) to make a decision on appeals received by the application deadline set by Utah Code Ann. §59-2-1004(3)(a). The Boards explained that they are unable to process within 60 days following the board's receipt of the taxpayer's application due to the large number of 2023 appeals filed. The Counties asked the Commission to extend the time period for making a decision on appeals they received by September 15, 2023 to:

Millard County – November 19th, 2024

Grand County – December 6th, 2024

Davis County – December 15th, 2024

Carbon County – December 15th, 2024

Weber County – December 31st, 2024

Summit County – December 31st, 2024

Utah County – February 28th, 2025

Salt Lake County – May 6th, 2025

MOTION: Commissioner Cragun moved to approve the County Board of Equalization's request to extend the time period for making a decision on appeals as it is listed on the agenda.

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

- I. Consider amending Administrative Rules. *[action item]*

1. R884-24P-28. Reporting Requirements for Leased or Rented Personal Property Pursuant to Utah Code Ann. Section 59-2-306.

2. R884-24P-66. County Board of Equalization Procedures and Appeals Pursuant to Utah Code Ann. Sections 59-2-516, 59-2-1001, and 59-2-1004.
3. R884-24P-53. 2025 Guides for Valuation of Land Subject to the Farmland Assessment Act Pursuant to Utah Code Ann. Section 59-2-515.

Commissioner Rockwell: The following rules were published in the Utah State Bulletin on September 15, 2024 and the public comment period ended on October 15, 2024. We did not receive any public comments on these rules.

1. R884-24P-28. Reporting Requirements for Leased or Rented Personal Property Pursuant to Utah Code Ann. Section 59-2-306. The proposed amendment repeals the rule. After internal research and discussion with the Property and Miscellaneous Tax Functional Area, we have concluded that there is not sufficient support in the Utah Code to require the submission of the report on leased or rented heavy equipment required by this rule. Thus, the proposed amendment repeals the rule.

MOTION: Commissioner Rockwell moved to adopt the amendments to R884-24P-28. Reporting Requirements for Leased or Rented Personal Property Pursuant to Utah Code Ann. Section 59-2-306.

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

2. R884-24P-66. County Board of Equalization Procedures and Appeals Pursuant to Utah Code Ann. Sections 59-2-516, 59-2-1001, and 59-2-1004. The proposed amendments address when a county board of equalization is required to accept an appeal filed after the deadline for filing a property tax appeal, which is generally September 15 of each year. The proposed amendments generally require the county board of equalization to first decide whether to accept a late filed appeal by written decision, and this determination is appealable to the commission. In addition, the proposed rule amendment provides similar procedures and requirements for a county board of equalization to accept a late filed appeal under the Farmland Assessment Act, if the appeal is filed not more than 60 days after the deadline for filing the appeal, which is generally within 45 days after the denial of valuation under the Farmland Assessment Act. Finally, the proposed rule amendment modifies the circumstances under which a county board of equalization is required to accept a late filed appeal, and makes technical changes.

MOTION: Commissioner Rockwell moved to adopt the amendments to R884-24P-66. County Board of Equalization Procedures and Appeals Pursuant to Utah Code Ann. Sections 59-2-516, 59-2-1001, and 59-2-1004.

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

3. R884-24P-53. 2025 Guides for Valuation of Land Subject to the Farmland Assessment Act Pursuant to Utah Code Ann. Section 59-2-515 authorizes the State Tax Commission to make rules necessary to effectuate the Farmland Assessment Act. Section 59-2-514 creates the State Farmland Advisory Committee and requires a person appointed by the Commission to serve as chair. Commissioner Fresques currently serves as chair of this committee. This committee reviews classifications of land in agricultural use in the various areas of the state and recommends a range of values for each of the classifications based upon productive capabilities of the land when devoted to agricultural use. The recommendations are then submitted to the Commission for approval and publication in rule. This proposed rule represents the committee's recommendations.

MOTION: Commissioner Rockwell moved to adopt the amendments to R884-24P-53. 2025 Guides for Valuation of Land Subject to the Farmland Assessment Act Pursuant to Utah Code Ann. Section 59-2-515.

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

- II. Discuss proposal to modify motor vehicle dealer education requirements?

Sonja Jorgensen - Executive Director, Independent Auto Dealers Association of Utah

Sonja Jorgensen and Mark Markosian spoke on the matter.

- III. Consider approving a settlement agreement for *Axess Americas, Inc. v. Utah State Tax Commission*, Utah Third Judicial District Court, Case No. 230902873 [*action item*]

MOTION: Commissioner Cragun moved that we approve the settlement agreement for *Axess Americas, Inc. v. Utah State Tax Commission*, Utah Third Judicial District Court, Case No. 230902873 and authorize our counsel's signature on the related documents.

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

- IV. Consider Publication Revisions

1. Publication 25: Sales and Use Tax General Information
2. Publication 58: Utah Interest and Penalties
3. Publication 62: Sales Tax Information for Telecommunications Service Providers
4. Publication 67: Cannabinoid Products Tax

VII. Commissioners' Reports

None

VIII. Executive Director's Report

None

IX. Adjourn

MOTION: Commissioner Cragun moved to adjourn the meeting. The motion passed unanimously. Commission Chair Valentine adjourned the meeting at 9:39 a.m.

Approved on: 11-21-2024

Attested: Chantay Asper
Executive Assistant
Utah State Tax Commission