

**UTAH STATE TAX COMMISSION
MEETING MINUTES**

9:00 a.m., Monday, October 15, 2018

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

Participating:

John L. Valentine – Commission Chair

Michael J. Cragun – Commissioner (*Participating by phone*)

Robert P. Pero – Commissioner

Rebecca L. Rockwell – Commissioner

Scott Smith – Interim 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 asked if anyone wished to address the Tax Commissioners. There were no comments.

III. Consider Approving Commission Meeting Minutes of September 20 & 21, 2018

MOTION: Commissioner Pero moved to approve the Open and Closed Commission Meeting Minutes of September 20th and 21st, 2018. The motion passed unanimously.

IV. Approve submission of proposed rules amendments and new rule to the Office of Administrative Rules for publication in the Utah Register [action item]

1. R865-19S-85. Sales and Use Tax Exemptions for Certain Purchases by a Manufacturing Facility Pursuant to Utah Code Ann. Section 59-12-104.
2. R865-19S-121. Sales and Use Tax Exemptions for Certain Purchases by a Mining Facility Pursuant to Utah Code Ann. Section 59-12-104.
3. R865-19S-122. Sales and Use Tax Exemptions for Certain Purchases by a Web Search Portal Establishment Pursuant to Utah Code Ann. Section 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. (*New Rule*)
5. R884-24P-53. 2019 Valuation Guides for Valuation of Land Subject to the Farmland Assessment Act Pursuant to Utah Code Ann. Section 59-2-515.

MOTION: Commission Chair Valentine presented each rule amendment and the new rule for the Commission to consider and submit for publication to the Office of Administrative Rules. Publication of each rule will occur on November 1, 2018 in the *Utah Register* bulletin and the public comment period will end on December 3, 2018.

Commissioner Rockwell moved to submit each of the proposed rule amendments and the new rule 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 four rule amendments and one new rule 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 and new rule. There were none.

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

V. Consider Publication Revisions

1. Publication 35: Sales Tax Information for Public and Private Elementary and Secondary Schools
2. Publication 25: Sales and Use Tax General Information
3. Publication 14: Withholding Tax Guide; Utah Withholding Information and Tax Tables

VI. Commissioners' Reports

Commission Chair Valentine spoke of the Federation of Tax Administrators Revenue Estimation and Tax Research Conference that he and Economist, Jacoba Larsen, attended in San Diego last week. The issues presented at the forefront of the conference were changes to the Tax Cut and Jobs Act (H.R. 1), the provisions of the *Wayfair* decision by the United States Supreme Court, the *See's Candy* case that came out of the Utah Supreme Court, and marijuana taxes and how the various states tax marijuana. During the conference, Commission Chair Valentine indicated that Utah was not going to tax marijuana at this time since it's used for medical purposes only. Utah was held up as an example of a state that is moving towards a broader revenue base with lower rates.

VII. Interim Executive Director's Report

Interim Executive Director Scott Smith recognized and publicly thanked Tax Commission employees that reached a milestone year of service.

VIII. Adjourn

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

Commission Chair Valentine adjourned the meeting at 9:14 a.m.

Approved on:

Attested: Jennifer Franklin

Executive Assistant, Utah State Tax Commission