UTAH STATE TAX COMMISSION
MEETING MINUTES
9:00 a.m., Thursday, September 22nd, 2022
Via Zoom, 210 North 1950 West, Salt Lake City, Utah

Participating:
John L. Valentine – Commission Chair – In person
Michael J. Cragun – Commissioner – In person
Rebecca L. Rockwell – Commissioner – In person
Jennifer N. Fresques – Commissioner – In person
Scott Smith – Executive Director – In person

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 Zoom Meeting
https://us02web.zoom.us/j/7437193782?pwd=K0pJRTVzTGJrWm14LzlTdjY0QzJDUT09

Meeting ID: 743 719 3782
Passcode: 8fN54hj!

Dial in by
+1 253 215 8782 or +1 346 248 7799
Meeting ID: 743 719 3782
Passcode: 07438057

II. Call to Order

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

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)

Jack Murphy gave a comment on property tax increases.
Bill Quapp gave a comment on Wasatch County property tax increases.

III. Consider approving Commission Meeting Minutes of August 25, 2022.

MOTION: Commissioner Cragun moved to approve the Commission Meeting Minutes of August 25, 2022. The motion passed unanimously.

IV. Testimony from Summit County Taxpayers regarding Property Tax

Presentation from Jeff and Theresa Danos, Stephanie Poll Summit County Assessor, and Josh Nielson Property Tax Director

V. Consider approving agency's FY2024 budget request for submission to the Governor. *[action item]*

Deanna Herring: FY2024 budget request presentation

MOTION: Commissioner Cragun moved to submit the proposed FY 2024 Tax Commission Budget to the Governor's Office for Consideration.

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

VI. Approve submission of proposed rule amendments to the Office of Administrative Rules for publication in Utah State Bulletin *[action item]*

1. R884-24P-53. 2023 Guides for Valuation of Land Subject to the Farmland Assessment Act pursuant to Utah Code Ann. Section 59-2-515.
2. R865-19S-92. Computer Software and Other Related Transactions pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-211.
3. R861-1A-42. Waiver of Penalty and Interest for Reasonable Cause pursuant to Utah Code Ann. Section 59-1-401.
4. R861-1A-43. Electronic Meetings pursuant to Utah Code Ann. Section 52-4-207.
5. R877-23V-24. Advisory Board Procedures pursuant to Utah Code Ann. Section 41-3-106.
6. R884-24P-72. State Farmland Advisory Committee Procedures pursuant to Utah Code Ann. Section 59-2-514.

Commissioner Rockwell: The following proposed rule amendments are for the Commission to consider and submit for publication to the Office of Administrative Rules. The amended rules will be published in the Utah State Bulletin on October 15, 2022 and the mandatory public comment period will end on November 14, 2022.

1. R884-24P-53. 2023 Guides for Valuation of Land Subject to the Farmland Assessment Act. Utah Code 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. This committee reviews several 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 uses. 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 submit the proposed amendments to Rule 884-24P-53. 2023 Guides for Valuation of Land Subject to the Farmland Assessment Act pursuant to Utah Code Ann. Section 59-2-515 to the Office of Administrative Rules for publication in the Utah State Bulletin.

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

2. R865-19S-92. Computer Software and Other Related Transactions. This rule is being amended to clarify that the sale, rental, or lease of custom computer software constitutes a sale of personal services that is not subject to sales and use tax.

   MOTION: Commissioner Rockwell moved to submit the proposed amendments to Rule R865-19S-92. Computer Software and Other Related Transactions pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-211 to the Office of Administrative Rules for publication in the Utah State Bulletin.

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

3. R861-1A-42. Waiver of Penalty and Interest for Reasonable Cause. This rule is being amended to update the timely mailing grounds for reasonable cause to waive penalties to include timely electronic submission of returns or payments.

   MOTION: Commissioner Rockwell moved to submit the proposed amendments to Rule R861-1A-42. Waiver of Penalty and Interest for Reasonable Cause pursuant to Utah Code Ann. Section 59-1-401 to the Office of Administrative Rules for publication in the Utah State Bulletin.

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

4. R861-1A-43. Electronic Meetings. This rule is being amended to establish the conditions under which a commissioner who is participating electronically in a public meeting of the Utah State Tax Commission will be counted for purposes of calculating whether a quorum of commissioners are present. This change is being made to comply with the requirements of House Bill 22, Open and Public Meeting Act Modifications, which passed during the 2022 General Session of the Legislature.

MOTION: Commissioner Rockwell moved to submit the proposed amendments to Rule R861-1A-43. Electronic Meetings pursuant to Utah Code Ann. Section 52-4-207 to the Office of Administrative Rules for publication in the Utah State Bulletin.

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

5. R877-23V-24. Advisory Board Procedures. This rule is being amended to establish the conditions under which a board member who is participating electronically in a public meeting of the Motor Vehicle Business Advisory Board will be counted for purposes of calculating whether a quorum of board members are present. This change is being made to comply with the requirements of House Bill 22, Open and Public Meeting Act Modifications, which passed during the 2022 General Session of the Legislature.

   MOTION: Commissioner Rockwell moved to submit the proposed amendments to RuleR877-23V-24. Advisory Board Procedures pursuant to Utah Code Ann. Section 41-3-106 to the Office of Administrative Rules for publication in the Utah State Bulletin.

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

6. R884-24P-72. State Farmland Advisory Committee Procedures. This rule is being amended to establish the conditions under which a committee member who is participating electronically in a public meeting of the State Farmland Advisory Committee will be counted for purposes of calculating whether a quorum of committee members are present. This change is being made to comply with the requirements of House Bill 22, Open and Public Meeting Act Modifications, which passed during the 2022 General Session of the Legislature.

   MOTION: Commissioner Rockwell moved to submit the proposed amendments to Rule R884-24P-72. State Farmland Advisory Committee Procedures pursuant to Utah Code Ann. Section 59-2-514 to the Office of Administrative Rules for publication in the Utah State Bulletin.

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

VII. Commissioners' Reports

No Report

VIII. Executive Director's Report

Scott Smith gave a presentation on the Tax Commission reorganization.

IX. Adjourn

Commission Chair Valentine adjourned the meeting at 10:38 a.m.

Approved on: 11/3/22
Attested: Chantay Asper
Executive Assistant
Utah State Tax Commission