UTAH STATE TAX COMMISSION
MEETING MINUTES
9:00 a.m., Thursday, November 3rd, 2022
Via Zoom, 210 North 1950 West, Salt Lake City, Utah

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

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 9:15 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)

No Comment

III. Consider approving Commission Meeting Minutes of September 22, 2022.

MOTION: Commissioner Cragun moved to approve the Commission Meeting Minutes of September 22, 2022. The motion passed unanimously.

IV. Consider Salt Lake County Board of Equalization's, Weber County Board of Equalization's and Utah County Board of Equalization's requests for the extension of the time period for a county board of equalization to make a decision on an appeal *[action item]*

Commissioner Cragun: The Commission received written requests from the Salt Lake County Board of Equalization, Weber County Board of Equalization and the Utah 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 unable to process within 60 days following the board's receipt of the taxpayer's application due to the large number of 2022 appeals filed. The Salt Lake Board asks the Commission to extend the time period for making a decision on appeals it received by September 15, 2022 to May 9, 2023. The Weber County Board asks the Commission to extend the time period for making a decision on appeals it received by September 15, 2022 to December 31, 2022. The Utah County Board asks the Commission to extend the time period for making a decision on appeals it received by September 15, 2022 to February 28, 2023.

MOTION: Commissioner Cragun moved to approve Salt Lake County Board of Equalization's request to extend the time period for making a decision on appeals it received by September 15, 2022 to May 9, 2023, Weber County Board of Equalization's request to extend the time period for making a decision on appeals it received by September 15, 2022 to December 31, 20222 and Utah County Board of Equalization's request to extend the time period for making a decision on appeals it received by September 15, 2022 to February 28, 2023.

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

V. Consider approving an agreement settling litigation pending in *Bryce Mannen and Maryann Seaman Mannen v. Utah State Tax Commission*, Case No. 200905859, Utah Third Judicial District Court *[action item]*

MOTION: Commissioner Cragun moved to accept the settlement offer presented in *Bryce Mannen and Maryann Seaman Mannen v. Utah State Tax Commission*, Case No. 200905859, Utah Third Judicial District Court and authorize our counsel's signature on the related documents *[action item]*

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

VI. Consider amending Administrative Rule. *[action item]*

Commissioner Rockwell: The following rule was published in the Utah Bulletin on September 15, 2022 and the public comment period ended on October 17, 2022. We did not receive any public comments on the rule.

1. R884-24P-33. 2023 Personal Property Valuation Guides and Schedules Pursuant to Utah Code Ann. Section 59-2-107. This rule amendment authorizes the State Tax Commission to make rules that define classes of items considered to be personal property and to provide valuation percent good schedules to value personal property. County assessors must use the percent good schedules as contained in this rule. Any deviation that affects an entire class or type of personal property requires a written report documenting the schedule change to be

submitted to the Tax Commission for approval prior to use. The proposed rule amendment modifies the percent good schedules. These changes will take effect on January 1, 2023.

MOTION: Commissioner Rockwell moved to adopt the amendments to R884-24P-33, 2023 Personal Property Valuation Guides and Schedules Pursuant to Utah Code Ann. Section 59-2-107.

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

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

1. R873-22M-43. Documentation and Procedures for the Titling and Registration of Vehicles, Vessels, and Outboard Motors Owned or Leased by Enrolled Members of a Federally Recognized Tribe in Utah Pursuant to Utah Code Ann. Section 41-1a-104.
2. R865-19S-102. Calculation of Qualifying Exempt Electricity Sales to Ski Resorts Pursuant to Utah Code Ann. Section 59-12-104.
3. R861-1A-46. Procedures for Purchaser Refund Requests Pursuant to Utah Code Ann. Sections 59-1-1410 and 59-12-110.
4. R861-1A-12. Policies and Procedures Regarding Public Disclosure Pursuant to Utah Code Ann. Sections 41-3-209, 59-1-210, 59-1-403, and 59-1-405.
5. R865-14W-1. Mineral Production Tax Withholding Pursuant to Utah Code Ann. Sections 59-6-101 through 59-6-104.
6. R861-1A-16. Utah State Tax Commission Management Plan Pursuant to Utah Code Ann. Section 59-1-207.

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 December 1, 2022 and the mandatory public comment period will end on January 3, 2023.

1. R873-22M-43. Documentation and Procedures for the Titling and Registration of Vehicles, Vessels, and Outboard Motors Owned or Leased by Enrolled Members of a Federally Recognized Tribe in Utah Pursuant to Utah Code Ann. Section 41-1a-104. This new rule establishes the documentation and procedures that the Division of Motor Vehicles is required to follow when titling and registering a vehicle owned by a member of a federally recognized tribe in Utah in order for the vehicle to be exempt from the statewide uniform fee in lieu of property tax and sales and use taxes. The rule defines terms and establishes a process through which a person may certify in writing under penalty of perjury their: identity, address, and tribal enrollment or membership number. The rule also establishes a process through which a person may certify in writing that the person resides, purchased, or took delivery of a vehicle on Utah trust land of a federally recognized tribe in Utah of which they are a member. Finally, the rule requires the executive director to investigate and report to the commission any boundary dispute resolutions relating to tribal lands.

MOTION: Commissioner Rockwell moved to submit the proposed amendments to R873-22M-43. Documentation and Procedures for the Titling and Registration of Vehicles, Vessels, and Outboard Motors Owned or Leased by Enrolled Members of a Federally Recognized Tribe in Utah Pursuant to Utah Code Ann. Section 41-1a-104 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-102. Calculation of Qualifying Exempt Electricity Sales to Ski Resorts Pursuant to Utah Code Ann. Section 59-12-104. This proposed amendment updates a reference to a division of the Utah State Tax Commission to be consistent with the recent tax commission reorganization, and makes technical changes.

   MOTION: Commissioner Rockwell moved to submit the proposed amendment to R865-19S-102. Calculation of Qualifying Exempt Electricity Sales to Ski Resorts Pursuant to Utah Code Ann. Section 59-12-104 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-46. Procedures for Purchaser Refund Requests Pursuant to Utah Code Ann. Sections 59-1-1410 and 59-12-110. This proposed amendment updates a reference to a division of the Utah State Tax Commission to be consistent with the recent tax commission reorganization, and makes technical changes.

   MOTION: Commissioner Rockwell moved to submit the proposed amendment to R861-1A-46. Procedures for Purchaser Refund Requests Pursuant to Utah Code Ann. Sections 59-1-1410 and 59-12-110 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-12. Policies and Procedures Regarding Public Disclosure Pursuant to Utah Code Ann. Sections 41-3-209, 59-1-210, 59-1-403, and 59-1-405. This proposed amendment updates a reference to a division of the Utah State Tax Commission to be consistent with the recent tax commission reorganization.

   MOTION: Commissioner Rockwell moved to submit the proposed amendment to R861-1A-12. Policies and Procedures Regarding Public Disclosure Pursuant to Utah Code Ann. Sections 41-3-209, 59-1-210, 59-1-403, and 59-1-405 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. R865-14W-1. Mineral Production Tax Withholding Pursuant to Utah Code Ann. Sections 59-6-101 through 59-6-104. This proposed amendment updates references to divisions of the Utah State Tax Commission to be consistent with the recent tax commission reorganization, and makes technical changes.

   MOTION: Commissioner Rockwell moved to submit the proposed amendment to R865-14W-1. Mineral Production Tax Withholding Pursuant to Utah Code Ann. Sections 59-6-101 through 59-6-104 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. R861-1A-16. Utah State Tax Commission Management Plan Pursuant to Utah Code Ann. Section 59-1-207. This proposed amendment updates references to divisions of the Utah State Tax Commission to be consistent with the recent tax commission reorganization and removes the requirement for the executive director to maintain a log of all correspondence from all sources for periodic review with the commission. This amendment also makes technical changes.

   MOTION: Commissioner Rockwell moved to submit the proposed amendment to R861-1A-16. Utah State Tax Commission Management Plan Pursuant to Utah Code Ann. Section 59-1-207 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

VIII. Consider Publication Revisions

1. Publication 58: Utah Interest and Penalties

IX. Commissioners' Reports

Commissioner Cragun reported that the Tax Commission had its annual employee breakfast. He thanked our financial services division for their help. Governor Cox attended.

Commissioner Rockwell reported that the Streamlined Sales Tax Governing Board had their annual meeting, this was the 20th anniversary of this meeting. Commissioner Rockwell also thanked the Tax Commission staff for their work in assuring compliance.

Commissioner Valentine reported that WSATA had a conference last week that he attended. He also attended the COST conference.

Commissioner Fresques reported that she attended the Lincoln Institute of Land Policies judges conference.

X. Executive Director's Report

Scott Smith spoke about the new management plan and thanked the Commissioners for their confidence in him. Scott also attended the WSATA conference.

XI. Adjourn

Commission Chair Valentine adjourned the meeting at 10:50 a.m.

Approved on: 12-8-22
Attested: Chantay Asper
Executive Assistant
Utah State Tax Commission