

**MINUTES OF THE
HOUSE REVENUE AND TAXATION
STANDING COMMITTEE**

Room 445 - State Capitol

February 13 , 2012

MEMBERS PRESENT: Rep. Patrick Painter, Chair
Rep. David Butterfield, Vice Chair
Rep. Stewart Barlow
Rep. Joel Briscoe
Rep. Tim Cosgrove
Rep. John Dougall
Rep. Susan Duckworth
Rep. Steve Eliason
Rep. Gage Froerer
Rep. Francis Gibson
Rep. Wayne Harper
Rep. Eric Hutchings
Rep. Brian King
Rep. Merlynn Newbold
Rep. Jim Nielson

MEMBERS EXCUSED: Rep. Mel Brown

STAFF PRESENT: Mr. Phil Dean, Policy Analyst
Ms. An Bradshaw, Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Chair Painter called the meeting to order at 2:14 p.m.

MOTION: Rep. Butterfield moved to approve the minutes of Jan. 30, 2012, Feb. 2, 2012, Feb. 6, 2012, and Feb. 9, 2012. The motion passed unanimously with Rep. Barlow, Rep. Dougall, Rep. Gibson, Rep. Harper, Rep. Hutchings, and Rep. King absent for the vote.

H.B. 136 Budget Reserve Accounts Amendments (Rep. K. Ivory)

This bill was not heard.

H.B. 112 Adoption Tax Credit Amendments (Rep. F. Gibson)

This bill was not heard.

Chair Painter relinquished the chair to Vice Chair Butterfield.

S.B. 143 Income Tax - Pass-through Entities (*Sen. W. Niederhauser*) (Rep. P. Painter**)**

Rep. Painter introduced the bill to the committee.

Spoke for the bill: Mr. Bruce Johnson, Utah Tax Commission

MOTION: Rep. Eliason moved to pass the bill out favorably. The motion passed unanimously with Rep. Barlow, Rep. Cosgrove, Rep. Gibson, Rep. Harper, Rep. Hutchings, and Rep. Nielson absent for the vote.

Chair Painter resumed the chair.

H.B. 41 Property Taxation of Business Personal Property (*Rep. P. Painter*)

This bill was presented for committee discussion only.

Spoke to the bill: Mr. Lee Gardner, Salt Lake County Assessor
 Mr. Bruce Johnson, Utah Tax Commission
 Mr. Allen Tippetts, Salt Lake County Assessor's Office

No vote was taken.

MOTION: Rep. Butterfield moved to saunter. The motion passed unanimously with Rep. Dougall, Rep. Eliason, and Rep. Harper absent for the vote.

MOTION: Rep. Duckworth moved to cease sauntering. The motion passed unanimously with Rep. Froerer and Rep. Nielson absent for the vote.

H.B. 385 Sales and Use Tax - Seller Notice Requirements (*Rep. W. Harper*)

Rep. Harper introduced the bill to the committee.

MOTION: Rep. Harper moved to amend HB385 as follows:

1. *Page 3, Lines 65 through 74:*

65 (4) (a) Except as provided in Subsection (4)(b), for a sale over the Internet, a
66 noncollecting seller shall place the notice required by this section on:

67 (i) a web page that is necessary to complete the transaction; and

68 (ii) an:

69 (A) electronic order confirmation if the noncollecting seller issues an electronic order
70 confirmation; or

71 (B) invoice, bill of sale, or similar document that the noncollecting seller provides to
72 the purchase if the noncollecting seller does not issue an electronic order confirmation.

73 (b) ~~Am~~ **(i) Except as provided in Subsection (4)(b)(ii), an operator of an**
online auction website is not required to place the notice required by this
74 section on an electronic order confirmation.

(ii) A person who is the seller of an item on an online auction website is subject to
the requirements of Subsection (4)(a).

MOTION: The motion to amend passed unanimously with Rep. Froerer and Rep. Nielson
absent for the vote.

Spoke for the bill: Mr. Dave Davis, Utah Retail Merchants

Spoke against the bill: Mr. Mark Griffin, Overstock.com, Inc.
Mr. Gary Thorup, Ebay.com

MOTION: Rep. Harper moved to pass the bill out favorably. The motion failed with Rep.
Barlow, Rep. Cosgrove, Rep. Duckworth, Rep. Eliason, Rep. Harper, and Rep.
Painter voting in favor of the motion. Rep. Froerer and Rep. Nielson were absent for
the vote.

MOTION: Rep. Dougall moved to adjourn the meeting. The motion passed unanimously with
Rep. Froerer and Rep. Nielson absent for the vote.

Chair Painter adjourned the meeting at 4:03 p.m.

Rep. Patrick Painter, Chair