

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Thursday, January 10, 2013

TIME: 9:00 A.M.

PLACE: Room EW42

MEMBERS: Chairman Collins, Vice Chairman Wood(35), Representatives Barrett, Moyle, Raybould, Denney, Anderson(31), Anderst, Dayley, Hartgen, Kauffman, Patterson, Trujillo, Burgoyne, Erpelding, Meline

**ABSENT/
EXCUSED:** Representative(s) Moyle

GUESTS: Jan Sylvester; McLean Russell, Idaho State Tax Commission; Russell Westerberg, Truth-Justice & America; Michael Chakarun, Idaho State Tax Commission; N.L. Clayville, DFM; Ed Hawley, Admin. Rules; Steve Borah; Raeleen Welton, Westerberg & Associates; Ken McClure, ISCPA; Ben Davenport, Associated Taxpayers; Lyn Darrington, Gallatin Public Affairs; Tony Smith, Benton Ellis; Bert Marley, IEA; Jennifer Visser, Gallatin PA.

Chairman Collins called the meeting to order at 9:00 a.m.

MOTION: **Rep. Meline** made a motion to approve the minutes of the January 8, 2013 meeting. **Motion carried by voice vote.**

RS 21644: **Mike Chakarun**, Tax Policy Manager, Idaho State Tax Commission presented **RS 21644**. This is an annual conformity bill which updates references to the Internal Revenue Code. Mr. Chakarun explained what a conformity bill does. The fiscal impact is estimated to be \$6 million in fiscal 2013.

MOTION: **Rep. Raybould** made a motion to introduce RS 21644 and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Raybould** will sponsor the bill on the floor.

Chairman Collins introduced Page **Shannon Cooper** to the Committee.

DOCKET NO. 35-0102-1201: **McLean Russell**, Idaho State Tax Commission, continued presentation of **Docket No. 35-0102-1201**, Sales Tax. Rule 37 subsection 02. a. This will have no impact on any of the scheduled commercial airlines. Rule 43, Sales Price or Purchase Price Defined. Rule 44, Trade-Ins, Trade-Downs and Barter; Rule 72, Application and Payment of Use Tax; Rule 95, Money-Operated Dispensing Equipment; Rule 109, Amusement Devices; Rule 128, Certificates for Resale and Other Exemption Claims.

MOTION: **Rep. Wood (35)** made a motion to approve **Docket No. 35-0102-1201** as presented. **Motion carried by voice vote.** **Rep. Barrett** and **Rep. Burgoyne** requested to be recorded as voting **NAY**.

DOCKET NO. 35-0109-1201: **McLean Russell**, Idaho State Tax Commission, presented **Docket No. 35-0109-1201**, Table and Kitchen Wine Tax. Rule 14, Security For Tax Required.

MOTION: **Rep. Wood (35)** made a motion to approve **Docket No. 35-0109-1201** as presented. **Motion carried by voice vote.**

DOCKET NO. 35-0110-1201: **McLean Russell**, Idaho State Tax Commission, presented **Docket No. 35-0110-1201**, Idaho Cigarette and Tobacco Products Tax. Rule 17, Security for Tax Required. **Mike Chakarun**, Idaho State Tax Commission, stated that the issues of the Treasury Bills being accepted as security collateral and use of the word 'should' will carry through the various rules; wine, cigarette and beer, and tobacco.

MOTION: **Rep. Meline** made a motion to approve **Docket No. 35-0110-1201** as presented. **Motion carried by voice vote.**

DOCKET NO. 35-0112-1201: **McLean Russell**, Idaho State Tax Commission, presented **Docket No. 35-0112-1201**, Idaho Beer Tax. Rule 13, Security for Tax Required. Rule 17, Beer Tax and Returns Reports.

MOTION: **Rep. Kauffman** made a motion to approve **Docket No. 35-0112-1201** as presented. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:53 a.m.

Representative Collins
Chair

Kathleen A. Simko
Secretary