

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

- DATE:** Tuesday, January 22, 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:** None.
- GUESTS:** Mike Chakarun, Idaho State Tax Commission; Raeleen Welton, Westerberg & Associates; N.L Clayville, DFM; Derek Santo, DFM; Benjamin Davenport, Associated Taxpayers of Idaho; LeRoy Fiscus, ACLU of Idaho; McKinsey Lyon, Gallatin.
- Chairman Collins** called the meeting to order at 9:01 a.m.
- MOTION:** **Rep. Wood (35)** made a motion to approve the minutes of January 16, 2013.  
**Motion carried by voice vote.**
- MOTION:** **Rep. Wood (35)** made a motion to approve the minutes of January 17, 2013.  
**Motion carried by voice vote.**
- H 2:** **Mike Chakarun**, Tax Policy Manager, Idaho State Tax Commission, presented **H 2**. This bill deals with deductions on Idaho Income Tax for specific losses that have been previously deducted for Federal tax purposes but might not have been claimed in Idaho. This situations arises when the taxpayer has not had sufficient income in the year the loss occurred to be able to complete an itemized Idaho tax return.
- MOTION:** **Rep. Kauffman** made a motion to send **H 2** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Kauffman** will sponsor the bill on the floor.
- H 3:** **Mike Chakarun**, Idaho State Tax Commission, presented **H 3** which would allow the Idaho State Tax Commission to disclose information to victims of identity theft and assist them in recovery and filing necessary reports with law enforcement to reclaim their identity.
- MOTION:** **Rep. Raybould** made a motion to send **H 3** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Anderson (31)** will sponsor the bill on the floor.
- H 4:** **Mike Chakarun**, Idaho State Tax Commission, presented **H 4**. This bill would make technical corrections to the Idaho Income Tax language.
- Section 1 would be amended to specify that taxes which qualify for a tax credit paid to another state, must be added back to the income in order to be consistent with other taxes that qualify for the credit.
- Section 2 replaces all references to "widow" with "widow and widower".
- Section 3 specifies the qualification for energy efficiency deduction with the insertion of the word "primary" and words "in the state of Idaho".
- Section 4 clarifies the deduction for technological equipment donations to either the lesser of fair market value or actual cost of the donation.

Section 5 modifies the statute of limitations in **Idaho Code, Section 63-3072**, related to claiming a refund to include reference to a new **Idaho Code, Section 63-3036B** regarding pass-through entities' backup withholding.

Section 6 provides an effective date of January 1, 2013 with the exception of section 3, which is retroactive to January 1, 2012, the effective date of the provision being amended.

**MOTION:** **Rep. Burgoyne** made a motion to send **H 4** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Burgoyne** will sponsor the bill on the floor.

**H 5:** **Mike Chakarun**, Idaho State Tax Commission, presented **H 5** which is a technical change to the permitting process for wholesale cigarette movement into and around Idaho. The clarification would help prevent inadvertent noncompliance, as a permit is only required of individuals actively engaged in making wholesale sales of cigarettes. This change would also ensure protection of Idaho's interest in the annual income received through the Master Settlement Agreement.

**MOTION:** **Rep. Meline** made a motion to send **H 5** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Meline** will sponsor the bill on the floor.

**H 12:** **Mike Chakarun**, Idaho State Tax Commission, presented **H 12**. This bill makes technical corrections to the Idaho Sales Tax Act, updating the sales and use tax exemption for food purchased with federal food stamps, now called the federal Supplemental Nutrition Assistance Program (SNAP). Further clarified is the exemption of tax for military members and accompanying spouses for certain articles purchased prior to receipt of orders transferring them to Idaho.

**MOTION:** **Rep. Dayley** made a motion to send **H 12** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Dayley** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 9:25 a.m.

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Representative Collins  
Chair

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Kathleen A. Simko  
Secretary