

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Tuesday, March 11, 2014

**TIME:** 8:30 A.M.

**PLACE:** Room EW42

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

**ABSENT/  
EXCUSED:** Rep. Wood(35)

**GUESTS:** Michael Chakarun, Idaho State Tax Commission; Melissa Nelson, ISCPA; Russell Westerberg, Rocky Mountain Power.

**Chairman Collins** called the meeting to order at 8:31 am.

**MOTION:** **Rep. Trujillo** made a motion to approve the minutes of March 7, 2014. **Motion carried by voice vote.**

**H 600:** **Mike Chakarun**, Tax Policy Manager, Idaho State Tax Commission (ISTC) presented **H 600** which is related to bonus depreciation and designed to fix a problem embedded in the American Taxpayer Relief Act of 2012. Historically, Idaho lists specific Acts they will not confirm to for tax purposes. This legislation amends Section 63-3022O, Idaho Code, to affirmatively state that subsection (k) of section 168 of the Internal Revenue Code (IRC) related to bonus depreciation does not apply to any asset placed in service after December 31, 2009.

In response to a question, **Mr. Chakarun** stated this legislation would require filing of amended returns, if the taxpayer has already filed, and applied the bonus depreciation allowance.

**MOTION:** **Rep. Trujillo** made a motion to send **H 600** to the floor with a **DO PASS** recommendation.

Responding to additional questions, **Mr. Chakarun** stated he believes the number of taxpayers required to file amended returns is very limited. Taxpayers filing their own returns may have inadvertently taken the allowance. Information can be put on the ISTC website to alert taxpayers, but there is no easy way to search returns already filed to determine if the allowance was taken. The oversight of excluding the bonus depreciation allowance has occurred previously. In 2011 **H 102**, which was the conformity bill, was needed to clarify Idaho was not going to permit the IRC bonus depreciation allowance, and was done retroactively. For taxpayers who may have already filed and taken the allowance, Mr. Chakarun said the ISTC could address these situations on a case by case basis, as they arise.

**VOTE ON MOTION:** **Chairman Collins** called for a vote on the motion. **Motion carried by voice vote.** **Rep. Barrett** requested to be recorded as voting **NAY**. **Rep. Raybould** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 8:44 am.

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Representative Collins  
Chair

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Kathleen A. Simko  
Secretary