

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Thursday, March 19, 2015

TIME: 8:30 A.M.

PLACE: Room EW42

MEMBERS: Chairman Collins, Vice Chairman Trujillo, Representative(s) Moyle, Raybould, Anderson, Anderst, Dayley, Hartgen, Kauffman, Chaney, Nate, Scott, Thompson, Erpelding, Nye, Rudolph

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

GUESTS: Dan Blocksom, Idaho Association of Counties; Benjamin Davenport, Associated Taxpayers of Idaho

Chairman Collins called the meeting to order at 8:30 A.M.

RS 23874: **Dennis Lake**, Chairman of the Idaho Tax Commission Study Tax Force, presented **RS 23874** regarding reorganization of the Idaho Tax Commission and the Board of Tax Appeals. This proposed legislation is the result of recommendations made by a Tax Commission Study Task Force who were authorized by the Governor to examine the structure of the Tax Commission and the Board of Tax Appeals. This Task Force was comprised of the following individuals: two from the Tax Commission; one from the Idaho Association of Commerce & Industry, one from the Associated Taxpayers of Idaho, one from the Albertsons Foundation and one retired employee from the Tax Commission.

This proposed legislation would consolidate the Board of Tax Appeals and the Tax Commission, with the existing Tax Commissioners performing the tax appeals function. A Director would be appointed over the Department of Revenue and Taxation to oversee the administrative functions of the agency. This allows the Commissioners to focus on their quasi-judicial function of tax appeals rather than managing day-to-day operations of the agency and aligns with the Commission's constitutional mandate.

Mr. Lake explained the Task Force surveyed 11 states and all of them use a "Director" to administer the personnel and daily operations of their respective departments of revenue. In fact they were not able to identify any state using a commission or board to manage their revenue department. The Director would be a professional appointed by the Tax Commission and not a political appointment.

Mr. Lake commented this was an early draft of legislation to address the findings of the Tax Commission Study Tax Force which outlines the concepts of their recommendations. More work needs to be done on the final product and he appreciated feedback and discussion from Committee members. **Chairman Collins** remarked that he agreed to have this RS considered for introduction but the bill would not have a hearing this session if it is printed. **Mr. Lake** responded to questions relating to the role of the hearing officer, volume of tax appeals heard each year and fiscal impact.

MOTION: **Rep. Raybould** made a motion to introduce **RS 23874**.

Responding to questions, **Mr. Lake** stated that under the Constitution, the Tax Commission is responsible for tax appeals and is currently doing a good portion of the appeals with the Board of Tax Appeals doing a portion also. With the appointment of a Director who will handle the administrative function, the Tax Commission will then be able to manage the responsibility for all tax appeals.

**VOTE ON
MOTION:**

Chairman Collins called for a vote on the motion to introduce **RS 23874. Motion carried by voice vote. Rep. Scott** requested she be recorded as voting **NAY**.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 9:00 A.M.

Representative Collins
Chair

Bev Bean
Secretary