

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

- DATE:** Thursday, January 21, 2016
- TIME:** 9:00 A.M.
- PLACE:** Room EW42
- MEMBERS:** Chairman Collins, Vice Chairman Trujillo, Representatives Moyle, Raybould, Anderson, Anderst, Dayley, Hartgen, Kauffman, Chaney, Nate, Scott, Thompson, Erpelding, Nye, Rudolph
- ABSENT/
EXCUSED:** Representative(s) Thompson
- GUESTS:** Russell Westerberg, Western Aircraft; Caitlin Rusche, Idaho Association of Counties; Greg Casey, Veritas Advisors; Alan Dornfest, Idaho State Tax Commission; Phil Homer, Idaho Association of School Administrators; Jonathan Parker, Holland & Hart; Jason Kreizenbeck, Lobby Idaho, LLC; Marilyn Whitney, Governor's Office
- Chairman Collins** called the meeting to order at 9:00 A.M.
- MOTION:** **Rep. Trujillo** made a motion to approve the minutes of January 18, 2016. **Motion carried by voice vote.**
- RS 24070:** **Senator Nonini** presented **RS 24070** which would add the STEM Education Fund to the educational entities for which a taxpayer would qualify for the existing tax credit for charitable contributions to education-related funds.
- MOTION:** **Rep. Scott** made a motion to introduce **RS 24070**. **Motion carried by voice vote.**
- RS 24060:** **Alan Dornfest**, Property Tax Bureau Chief, Idaho State Tax Commission, presented **RS 24060** which would make two technical corrections to Idaho's revenue and taxation statutes. The Tax Commission has been required by statute to provide an annual report of the taxable property situated within each school district for the preceding taxable year. The State Board of Education and the Department of Education, the two agencies who receive this report each year, indicated they have no use for this information and that requirement has been deleted from the statute. The second correction corrects a reference error relating to the sales tax distribution formula.
- MOTION:** **Rep. Trujillo** made a motion to introduce **RS 24060**. **Motion carried by voice vote.**
- RS 24064:** **Alan Dornfest**, Idaho State Tax Commission, presented **RS 24064** regarding the taxable value of operating property. Mr. Dornfest explained that most taxing districts levy against all property - both real property and operating property. But, a few small taxing districts only levy on real property. This proposed legislation will clarify that operating property is not apportioned to flood control, community infrastructure, watershed improvement, herd and levee districts. These taxing districts only levy on real property. This is for clarification only and does not change how these districts levy taxes.
- MOTION:** **Rep. Raybould** made a motion to introduce **RS 24064**. **Motion carried by voice vote.**
- RS 24065:** **Alan Dornfest**, Idaho State Tax Commission, presented **RS 24065** setting a deadline date for formation of taxing districts. With this proposed legislation, new taxing districts must be formed by January 1 in order to levy taxes in the following year. This brings all taxing districts into conformity and will reduce the likelihood of levy calculation errors and mapping and tax code area inconsistencies.

MOTION: Rep. Kauffman made a motion to introduce **RS 24065**. **Motion carried by voice vote.**

RS 24164C1: Rep. Moyle presented **RS 24164C1** regarding the sales tax exemption on aircraft used to provide passenger or freight service and aircraft parts installed as components on such aircraft. This proposed legislation would remove the sunset clause in the statute. This would prevent its expiration and continue the sales tax exemption. He indicated that if the Committee approved this RS for introduction, he would bring information and testimony before the Committee as to how this sales tax exemption has created jobs and stimulated Idaho's economy.

MOTION: Rep. Anderson made a motion to introduce **RS 24164C1**. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:27 A.M.

Representative Collins
Chair

Bev Bean
Secretary