

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Thursday, February 22, 2018

TIME: 8:30 A.M.

PLACE: Room EW42

MEMBERS: Chairman Collins, Acting Vice Chairman Kauffman, Representatives Moyle, Raybould, Anderst, Dayley, Hartgen, Chaney, Nate, Thompson, Gestrin, Stevenson, Troy, Gibbs, Erpelding, Gannon

**ABSENT/
EXCUSED:** Rep. Chaney, Rep. Erpelding

GUESTS: Tom Shaner, ISTC

Chairman Collins called the meeting to order at 8:33 a.m.

RS 26207: **Tom Shaner**, Tax Policy Specialist, Idaho State Tax Commission presented **RS 26207**. This bill relates to income taxes. This is a supplement to the annual bill to update references to the Internal Revenue Code (IRC). The Idaho income tax code is based on using the federal taxable income as a starting point for both businesses and individuals. This bill will conform the Idaho income tax code to changes Congress made to the IRC that affect the 2017 taxable year with the Bipartisan Budget Act of 2018. These are all deductions that Idaho conformed to in the past prior to their expiring. There are several federal laws that expired at the end of 2016. The federal law signed on February 9, 2018, changes these sunset dates to December 31, 2017. There are eleven deductions in this bill that Idaho has previously conformed to. Two of those deductions are in the same code section so it was only necessary to add ten references to the statute. This will help avoid confusion for taxpayers and tax preparers. In response to a question about the fiscal impact, Mr. Shaner confirmed that this is a one time cost for the 2017 tax year. He also stated tax payers will get notified via a market campaign.

MOTION: **Rep. Moyle** made a motion to introduce **RS 26207**. and recommend it be sent to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Moyle** will sponsor the bill on the floor.

RS 26161: **Rep. Luker** presented **RS 26161**. This legislation originates from the Administrative Hearing Officer Interim Committee. It is designed to address concerns over due process, conflicts of interest and impartiality in contested administrative proceedings. The legislation updates processes under the Administrative Procedure Act to better delineate preliminary review and initial agency actions from contested case proceedings. In order to provide impartiality in the contested case process, particularly with reference to fact finding, an office of Administrative Hearings is established with an independent chief hearing officer and hearing officers housed in the Department of Self Governing Agencies. All contested case proceedings will be handled through the Office of Administrative Hearings, except for the Public Utilities Commission, Industrial Commission, Department of Water Resources, and such other proceedings specifically exempt by law. Department heads continue to have final review over all policy and remedy portions of contested cases. Additional changes updates and additions to definitions, limited new discovery and subpoena powers, and emergency hearing processes.

MOTION: **Rep. Gibbs** made a motion to introduce **RS 26161**. **Motion carried by voice vote.**

RS 26144: **Rep. Kauffman** presented **RS 26144**. This legislation amends Idaho Code, Section 31-3908 to revise the amount of tax that may be levied by Boards of County Commissioners for certain ambulance service districts.

MOTION: **Rep. Moyle** made a motion to return **RS 26144** to the sponsor. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:02 a.m.

Representative Collins
Chair

Susan Steed
Secretary