

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Monday, March 12, 2018

TIME: 8:00 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(17)

**ABSENT/
EXCUSED:** Representative(s) Chaney, Gibbs

GUESTS: Fred Birnbaum, ID Freedom Foundation; Tom Shaner, ISTC; Alex LaBeau, IACI; Russell Westerberg, RMP; Jonathan Parker, PPA

Chairman Collins called the meeting to order at 8:00 a.m.

RS 26355: **Rep. Moyle** presented **RS 26355**. This legislation provides for the conformance to the section of the new federal Tax Cuts and Jobs Act that requires the taxation of previously untaxed foreign earnings from 1986 until 2017 for U.S. multinational taxpayers. This bill creates conformity to the new federal law to keep Idaho multinational companies competitive with other states. Rep. Moyle confirmed there will be money coming in, but the amount is unknown and that this proposed legislation only deals with 2017.

MOTION: **Rep. Anderst** made a motion to introduce **RS 26355**. **Motion carried by voice vote.**

H 675: **Rep. Moyle** presented **H 675**. This legislation raises the child tax credit from \$130 to \$205. Rep. Moyle clarified the fiscal note in the Statement of Purpose should be changed from \$25,000,000 to the general fund to \$25,000,000 reduction from the general fund. He reiterated that all sides were worked with and compromises were met to come up with the \$205 figure and this will leave a remainder of \$50,000,000. In response to a question Rep. Moyle stated the reason why families are affected by the taxes in Idaho is because the rates are too high.

Fred Birnbaum spoke in support of **H 675**. He stated the ending balance is over \$100,000,000 and the notion that we have insufficient revenue to fund the child tax credit is just not supported by the data. Mr. Birnbaum reiterated the money is there and we could do at least \$75,000,000 for the people of Idaho. In response to a question, Mr. Birnbaum stated there is \$200,000,000 of additional appropriation over fiscal year 2018, which is the growth in the spending to accommodate the roughly 2% population growth. He confirmed this tax credit is affordable.

MOTION: **Rep. Thompson** made a motion to send **H 675** to the floor with a **DO PASS** recommendation.

**ROLL CALL
VOTE:** **Rep. Hartgen** requested a roll call vote on **H 675**. **Motion carried by a vote of 14 AYE, 2 Absent/Excused.** Voting in favor of the motion: **Chairman Collins, Acting Vice Chairman Kauffman, Reps. Moyle, Raybould, Anderst, Dayley, Hartgen, Chaney, Nate, Thompson, Gestrin, Stevenson, Troy, Gibbs, Erpelding, Gannon(17).** **Reps. Chaney and Gibbs were absent/excused.** **Rep. Moyle** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 8:41 a.m.

Representative Collins
Chair

Susan Steed
Secretary