

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Tuesday, March 02, 2021

**TIME:** 9:00 A.M.

**PLACE:** Room EW42

**MEMBERS:** Chairman Harris, Vice Chairman Addis, Representatives Moyle, Chaney, Gestrin, Dixon, Nichols, Kauffman, Adams, Cannon, Hartgen, Manwaring, Okuniewicz, von Ehlinger, Weber, Necochea, Ruchti

**ABSENT/  
EXCUSED:** Representative(s) Chaney, Nichols, Adams, Okuniewicz

**GUESTS:** Russ Westerberg and Carson Tester, Westerberg and Associates.

**Chairman Harris** called the meeting to order at 9:00 a.m.

**MOTION:** **Rep. Necochea** made a motion to approve the minutes of the February 19, 2021 and the February 25, 2021 meetings. **Motion carried by voice vote.**

**RS 28636:** **Rep. Kauffman** presented **RS 28636** saying it solves the problem of trying to remedy unintended consequences of phantom income caused by passive activity when a bonus depreciation is claimed for federal purposes, but is then limited for application of some of the loss rules. The simple solution is to say that Idaho income will be adjusted annually for the difference between the amount of bonus depreciation actually deducted on the federal return and the amount computed using the standard depreciation for Idaho purposes. The proposed legislation appears straight forward, but there are a lot of moving parts towards resolution, so certified public accountants will be a part of any full hearing presentation.

**MOTION:** **Rep. Gestrin** made a motion to introduce **RS 28636**. **Motion carried by voice vote.**

**RS 28694:** **Rep. Moyle** said the current administrative rules for the Idaho Board of Tax Appeals (Board) allow only an individual or their attorney to appear before the Board. A person should be able to have representation of their own choosing whether it is a family member, an appraiser or someone else. **RS 28694** allows an individual and whoever they choose to represent them to appear before the Board.

**MOTION:** **Rep. Dixon** made a motion to introduce **RS 28694**. **Motion carried by voice vote.**

**RS 28292C1:** **Rep. Addis** advised the committee he is withdrawing **RS 28292C1** and presenting **RS 28292C2**.

**RS 28292C2:** **Rep. Addis** stated **RS 28292C2** deals with urban renewal and follows on the heels of **H 587** passed by the legislature last year. The proposed legislation is voluntary and allows local taxing districts to choose whether they will keep or distribute increment to a URD. **RS 28292C2** tells local taxing districts they can decide how to use the increment funds.

**MOTION:** **Rep. Kauffman** made a motion to introduce **RS 28292C2**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 9:08 a.m.

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Representative Harris  
Chair

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Lorrie Byerly  
Secretary