

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Tuesday, March 09, 2021

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

**PLACE:** Room EW42

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

**ABSENT/  
EXCUSED:** Representative Adams, Representative Kauffman

**GUESTS:** Jason Kreizenbeck, Ball Ventures LLC, Liza Leonard, Ball Ventures, Brian Parkinson, Ball Ventures, Jake Cluff, BB&A/AIC, Jeff McCray, ISTC, Rick Smith, Hawley Troxell.

**Chairman Harris** called the meeting to order at 9:01 a.m.

**H 295:** **Rep. Okuniewicz** presented **H 295**.

**Jason Kreizenbeck**, Ball Ventures LLC, spoke **in support** of the bill. He explained this is something they have been working on since the winter to help Idahoans take advantage of federal tax deductions. He highlighted how this bill would be revenue neutral to the state.

**Brian Parkinson**, Director of Taxation, Ball Ventures LLC, spoke **in support** of the bill. He explained the bill was revenue neutral to the state and was completely voluntary. He explained the \$10,000 limit currently on deductions and showed how this bill would allow electing businesses to claim state income taxes deductions above the current SALT limitation. He explained further there are eight states with similar laws in place and 5 states with similar proposed legislation. He again noted the bill would be revenue neutral to the state, would stimulate the local economy and increase overall state revenue.

In response to committee questions, **Mr. Parkinson** explained this is an advantageous bill and he could not think of a strong instance where a company could benefit from not taking advantage of it. He further explained the current \$10,000 limit runs out quickly for many companies, and this bill would help them with federal tax savings.

**Rick Smith**, Hawley Troxell, spoke **in support** of the bill. As a tax lawyer and CPA, Mr. Smith explained he has heard nothing but good things about this bill. Key things he pointed out included this legislation treating small businesses the same as larger businesses. It allows LLCs to conduct their business the same as a C Corporation, which he views as more fair.

In response to committee questions **Mr. Smith** and **Mr. Parkinson** explained how sole proprietors might be able to use this legislation. Furthermore, Mr. Parkinson outlined the differences between the bill and new RS explaining there was a circular calculation in the first bill that has been altered in the new RS, and there was a credit that was considered refundable in the bill which has been struck in the RS to be consistent with other legislation.

**Rep. Okuniewicz** closed by asking the committee to hold the bill and motion for the following RS to be introduced.

**MOTION:** **Rep. Addis** made a motion to **HOLD H 295** in committee. **Motion carried by voice vote.**

**RS 28792:** **Rep. Okuniewicz** presented **RS 28792** to the committee explaining it is the updated version of the previous bill and asked for it to be introduced and sent to the Second Reading Calendar.

**MOTION:** **Rep. Gestrin** made a motion to introduce **RS 28792** and recommend it be sent directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Okuniewicz** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 9:23 a.m.

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Representative Harris  
Chair

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Kennedy Jones  
Secretary