

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Thursday, February 23, 2023

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

**PLACE:** Room EW42

**MEMBERS:** Chairman Monks, Vice Chairman Cannon, Representatives Dixon(1), Manwaring, Weber, Shepherd, Cheatum, Cornilles, Durrant, Ehlers, Mickelsen, Pickett, Raymond, Wroten, Necochea, Burns

**ABSENT/  
EXCUSED:** Rep. Dixon (1)

**GUESTS:** The sign-in sheet will be retained in the committee secretary's office; following the end of session the sign-in sheet will be filed with the minutes in the Legislative Library.

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

**Chairman Monks** introduced the new committee page, **Nathanael Hansen**, and asked him to share some things about himself. **Mr. Hansen** spoke about his excitement in serving as a page, and his willingness to help the representatives in any way.

**MOTION:** **Rep. Burns** made a motion to approve the minutes from February 16, 2023 and February 20, 2023 meetings. **Motion carried by voice vote.**

**H 172:** **Rep. Ehlers** presented **H 172** relating to income taxes. He explained this bill will retroactively change certain income tax rate changes from January 3, 2023 to January 1, 2023.

**MOTION:** **Rep. Wroten** made a motion to send **H 172** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Ehlers** will sponsor the bill on the floor.

**RS 30426:** **Rep. Raymond** presented **RS 30426** relating to taxes. He explained the proposed legislation would amend the Cigarette and Tobacco Products Taxes statute to include electronic smoking products and devices.

In response to committee questions, **Rep. Raymond** stated the proposed legislation will include taxation on electronic smoking products and devices, which will be at the same rate of taxation as nicotine and other tobacco products. He also stated the date of July 1, 2023, is intended for the proposed legislation to take effect in which new electronic tobacco products are brought into the state for sale, not those already in current inventory of a retailer.

**MOTION:** **Rep. Weber** made a motion to introduce **RS 30426**.

In response to additional committee questions, **Rep. Raymond** further explained the taxes collected from sales of electronic smoking products will go toward funds in educating children in public schools and juveniles through the Department of Juvenile Corrections. The tax funds are intended to educate minors on the harm in using tobacco products of all types. He also stated he thinks the revenue in collected taxes will double annually in moving this forward, and the general thirty-five percent markup of wholesale price of current nicotine products will also apply to electronic tobacco devices.

**VOTE ON  
MOTION:** **Chairman Monks** called for a vote on the motion to introduce **RS 30426**. **Motion carried by voice vote.**

**RS 30413:** **Rep. Cannon** presented **RS 30413** relating to tax deficiencies. He explained that the proposed legislation will limit the amount of interest accrued by the state tax commission in specific tax situations, where audits are beginning or upon completion of a determination.

In response to committee questions, **Rep. Cannon** explained the tax laws in the proposed legislation would only apply to the state of Idaho, not to federal taxes.

**MOTION:** **Rep. Shepherd** made a motion to introduce **RS 30413**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 9:18 a.m.

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Representative Monks  
Chair

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Jocelyn Lamb  
Secretary