

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Wednesday, March 08, 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:** None

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 to order meeting at 9:14 a.m.

MOTION TO RECONSIDER: **Rep. Cornilles** made a motion to reconsider **H 159**, legislation which provides an urban renewal district's revenue allocation area shall not include any property of a data center receiving the Idaho information technology equipment sales tax exemption, as long as the revenue allocation area has not issued any bonds as of the date of introduction of this bill.

VOTE ON MOTION TO RECONSIDER: **Motion to reconsider carried by voice vote. Rep. Burns, Rep. Cheatum, Rep. Necochea** requested to be recorded as voting **NAY**.

MOTION: **Rep. Ehlers** made a motion to send **H 159** to the floor **DO PASS** recommendation. Committee members expressed concern regarding the legislation being reconsidered without it being put on the agenda and the public being notified. More concerns were expressed regarding sending a message that is capricious and giving industry a way into Idaho, pulling back after businesses move to Idaho. Committee members also expressed support for the legislation after hearing from city officials and upon further review of the legislation. **Chairman Monks** pointed out that even if the legislation were put on an agenda, there would be no further public testimony, because public testimony has already taken. Another member explained their change in position as originally there as concern this would effect mayors' and local districts authority to develop urban areas, but this will not effect mayors' authority in cases of meeting specific requirements.

ROLL CALL VOTE: Roll call vote was requested. **Motion carried by a vote of 11 AYE and 5 NAY.** **Voting in favor** of the motion: **Reps. Chairman Monks, Cannon, Cornilles, Dixon (1), Durrant, Ehlers, Pickett, Raymond, Shepherd, Weber, Wroten.** **Voting in opposition** to the motion: **Reps. Burns, Cheatum, Manwaring, Mickelsen, Necochea.** **Rep. Monks** will be the sponsor the bill on the floor.

H 177: **Rep. Raybould** presented **H 177** legislation to revise the provision regarding the income tax deduction for household and dependent care services. This legislation increases the individual state tax deduction for dependent care to \$12,000 per taxable year as found in 63-3022D, Idaho Code.

MOTION: **Rep. Weber** made a motion to send **H 177** to send to the floor with a **DO PASS** recommendation.

MOTION WITHDRAWN: **Rep. Weber** asked unanimous consent to withdraw the motion to send **H 177** to the floor with a **DO PASS** recommendation. There being no objection the request was granted.

MOTION **Rep. Weber** made a motion to **HOLD H 177** in committee.
Rep. Wroten expresses the need to help families with child care.

VOTE ON MOTION: **Motion carried by voice vote.**

MOTION: **Rep. Weber** made a motion to introduce **RS 30540** and recommend it be sent directly to the Second Reading Calendar.

ROLL CALL VOTE: Roll call vote was requested. **Motion carried by a vote of 13 AYE and 3 NAY.** **Voting in favor** of the motion: **Chairman Monks, Reps. Manwaring, Weber, Cheatum, Cornilles, Durrant, Ehlers, Mickelsen, Pickett, Raymond, Wroten, Necochea, Burns.** **Voting in opposition** to the motion: **Reps. Cannon, Dixon, Shepherd.** **Rep. Raybould** will sponsor the bill on the floor.

H 257: **Rep. Dixon (1)** presented **H 257**, this legislation adds clarity to the current supervisory powers of the Tax Commission and provides three substantive changes: 1. Removes the hearings and proceedings under this section from review under the Administrative Procedures Act. 2. Provides clear procedural timelines and directs the Tax Commission to enforce its orders as quickly as possible through any necessary litigation. 3. Provides the Tax Commission an enforcement tool of withholding revenue sharing distributions from a County, City, or taxing district for the time in which it is non-compliant with property tax statutes or rules.
Hollie Ann Strang, citizen of Gem County, testified that this bill would remove some checks and balances.
Justin Baldwin, Gooding County Assessor, testified this legislation is unnecessary. Take away our ability to not ask questions. It makes that sales tax money hostage. urge to vote against **H 257**.
Brian Stender, assessor in canyon county, testified that the legislation would create restrictions and essentially silence assessors and prosecuting attorneys. Concerned the this legislation could circumvent lawmakers. Requests to vote against this bill.

MOTION: **Rep. Raymond** made a motion to **HOLD H 257** in committee.
Speaking to the motion, **Rep. Raymond** expressed concern over the heavy hand of the state requiring something of local officials. He said in the very rare case of incompliance, there is already mechanism to bring them into compliance.

ROLE CALL VOTE: **Chairman Monks** requested Roll call vote. **Motion carried by a vote of 10 AYE and 6 NAY.** **Voting in favor** of the motion: **Reps: Cheatum, Cornilles, Durrant, Ehlers, Mickelson, Pickett, Raymond, Wroten, Necochea, Burns.** **Voting in opposition** to the motion: **Reps: Vice Chairman Cannon, Dixon (1), Manwaring, Shepherd, Weber, Chairman Monks.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourn at 10:15 a.m.

Representative Monks
Chair

Jazz Alexis
Secretary