

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Tuesday, January 30, 2024

**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 meeting to order at 9:04 A.M.

**MOTION:** **Rep. Burns** made a motion to approve the minutes from January 29, 2024. **Motion carried by voice vote.**

**RS 31056:** **Rep. Ehlers** presented **RS 31056**, stating this proposed legislation closes a loophole allowing government to take surplus proceeds in excess of debts owed. Rep. Ehlers stated a Supreme Court case has ruled government can not retain the surplus proceeds.

**MOTION:** **Rep. Weber** made a motion to introduce **RS 31056**. **Motion carried by voice vote.**

**RS 31059:** **Rep. Cannon** presented **RS 31059**, stating the proposed legislation would reduce the amount of interest a taxpayer is required to pay during an audit. Rep. Cannon explained when the Idaho State Tax Commission is performing their required duties during an audit, interest will not be accruing. In response to committee questions, Rep. Cannon pointed out if it is determined the taxpayer has committed tax fraud, there are significant penalties applied.

**MOTION:** **Rep. Pickett** made a motion to introduce **RS 31059**.

Responding to committee questions, **Rep. Cannon** reminded the committee this legislation did pass the House last year by a wide margin but was amended in the Senate by adding unrelated legislation to it, and by so doing, caused it to not move forward.

**VOTE ON  
MOTION:** **Chairman Monks** called for a vote on the motion to introduce **RS 31059**. **Motion carried by voice vote.**

**RS 31077:** **Rep. Pickett** presented **RS 31077**, proposed legislation to codify the practice to not assess sales tax on auxiliary grain equipment.

**MOTION:** **Rep. Durrant** made a motion to introduce **RS 31077**. **Motion carried by voice vote.**

**Chairman Monks** informed the committee **Rep. Horman** was unable to present at this time and **Sen. Den Hartog** would take her place presenting **RS 31015**.

- RS 31015:** **Sen. Den Hartog** presented **RS 31015** stating, this proposed legislation is the Idaho Parental Choice Tax Credit which would provide a refundable tax credit for a parent that incurs qualified education expenses for an eligible student. The proposed legislation also includes a grant portion for lower income residents to participate. Sen. Den Hartog shared the refundable tax credit portion has a cap of \$40 million and does not take funds from the Public Schools' budget. Because a cap is set within the proposed legislation, it would need to go through the legislative process to be change.
- MOTION:** **Rep. Mickelson** made a motion to introduce **RS 31015**.
- In response to committee questions, **Sen. Den Hartog** stated this legislation reduces the amount of money collected by the state and she is not aware of programs operating similar to this proposed program.
- ROLL CALL VOTE ON MOTION:** **Rep. Cheatum** requested a roll call vote on **RS 31015**. **Motion carried by a vote of 13 AYE and 3 NAY. Voting in favor of the motion: Reps. Monks, Cannon, Dixon(1), Manwaring, Weber, Shepherd, Cornilles, Durrant, Ehlers, Mickelsen, Pickett, Raymond and Burns. Voting in opposition to the motion: Reps. Cheatum, Wroten and Necochea.**
- H 410:** **Rep. Cannon** presented **H 410**, legislation to codify policy of the Idaho State Tax Commission by requiring members of a recognized Indian tribe, who live outside of Idaho and work outside of a reservation, to pay income tax. Rep. Cannon stated **H 410** would also not require members of a recognized Indian tribe, who live outside of Idaho and work on a reservation, to pay income tax.
- MOTION:** **Rep. Mickelson** made a motion to send **H 410** to the floor with a **DO PASS** recommendation.
- Responding to committee questions, **Rep. Cannon**, emphasized being a member of a recognized tribe is a required part of this legislation and reminded the committee that income earned on a reservation is not taxed but income earned off of a reservation is taxed.
- Tyrel Stevenson**, Legislative Director, Coeur d'Alene Tribe, testified **in support** of **H 410**, stating this legislation does not create a new exemption and the U.S. Supreme Court set precedent regarding this practice.
- VOTE ON MOTION:** **Chairman Monks** called for a vote on the motion to send **H 410** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Cannon** will sponsor the bill on the floor.
- ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 9:33 A.M.

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Representative Monks  
Chair

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Lisa Hendricks  
Secretary