



For more information, contact: Vice President Billy Hesterman (801-633-3663) or Research Analyst Spencer Nitz (385-202-5986)

Utah Taxpayers Association 2016 Legislative Watchlist - March 9, 2016

Positions: S - Support O - Oppose M - Monitor. *Recommended positions indicated by ()

Number	Title	Sponsor	Description	Questions/Comments	Position*	House Comm.	House Floor	Senate Comm.	Senate Floor
PRIORITY BILLS									
3S HB 25	Property Tax Changes	McCay	Changes how centrally assessed new growth is calculated in the certified tax rate by establishing benchmarks for new growth. States that if the benchmarks are not achieved, there is no new growth. Prevents automatic property tax increases on real property owners.		S	P	P	P	P
1S HB 61	Corporate Franchise and Income Tax Changes	Knotwell	Allows businesses in the high tech manufacturing sector the option to use single sales factoring in calculating corporate income taxes.		S	P	P	P	P
HB 92	Local School Board Levy Rate Amendments	Powell	Provides that all school districts are subject to the same property tax rate cap. Will lead to higher taxes as school districts will have a greater ability to raise taxes.		O	P			
HB 153	Certified Tax Rate Amendments	Ward	Modifies the calculation of the certified tax rate by including an adjustment for inflation. Harms Utah's Truth-in-Taxation law. Causes automatic tax increases without accountability.		O				
1 Sub HB 180	Sales and Use Tax Exemption Amendments	Wilson	Eliminates the 3-year-life sales tax penalty for machinery and parts for manufacturing and mining businesses. Creates equity in the tax code. Removes taxation of business inputs.		S	P	P	P	
SB 17	Revenue and Taxation Amendments	Van Tassell	Enforces valuation procedure for oil and gas to be taken at the well site, for tax reporting purposes.		S	P	P	P	P
2 Sub SB 80	Infrastructure Funding Amendments	Adams	Removes two earmarks entirely, and moves one from transportation and puts it towards water infrastructure. Also funds study of water development projects.		O	P	P	P	P
SB 103	Strategic Workforce Investments	Millner	Establishes a process for investing strategically in workforce development through the development of stackable credentials.		S	P	P	P	P
SB 104	Amendments to Income Tax	Dabakis	Increases the income tax by 0-2%, depending on individual income.		O				
SB 131	UCAT Governance Amendments	Urquhart	Restructures the governance and organization of Utah's College of Applied Technology.		S	P	P	P	P
SB 180	Optional Tax Increase Amendments	Hillyard	Repeals the optional correctional facility sales for the city that accepts the state prison.		S			P	
SB 235	Local District Tax Revisions	Fillmore	A local district may levy or collect property tax that exceeds the certified rate only if each member of the board is an elected officials or the majority of the registered voters within the district voted for the members of the local district		S			P	
House Bills									
4S HB 10	Initiative and Referendum Amendments	Greene	Removes legislative limitations on the scope and authority of a citizens' referendum. Allows a petitioner to draft a summary of the action taken in lieu of a copy of the law. States that the 45 days to gather signatures does not start until the forms to authorize petition gathering from the clerk have been issued to those seeking a referendum.		S	P	P	P	P
1Sub HB23	Privilege Tax Amendments	Stanard	Amends privilege tax statute to read: a lessee, permittee, or holder of an easement still has exclusive possession of the premises if the owner has the right to enter the premises, approve leasehold improvements, or inspect the premises	Has a retroactive date of January 1, 2015	s	P	P	P	P



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HB 32	Subdivision Base Parcel Tax Amendments	Webb	Allows owners of a subdivided property to pay for their portion of the property tax on a development. Allows property owners the ability to avoid being penalized if an owner of a development has defaulted on their taxes.		s	P	P	P	P
HB 39	Pass-through Entity Return Filing Date	Eliason	Aligns state law with federal law for pass-through entity filing dates. Allows for consistent compliance.		s	P	P	P	P
HB 47	Post retirement Employment Rural and Title I School Exemptions	Cunningham	Allows a retiree to be reemployed with a participating employer after a certain period from the retirees's retirement and collect a retirement allowance as long as they have been retired for more than 60 days.		O				
HB 54	Economic Development Tax Increment Financing Amendments	Edwards	Would allow GOED to continue incentives to companies in accordance to contracts made before reorganization to GOED's processes.		m	P	P	P	P
HB 82	Property Taxing Authority for Public Water Providers	Powell	Lowers the maximum rate that a water district in the upper basin can charge from .0004 to .0002 in 2021. Property taxes should not pay for water, user fees should		s				
1Sub HB 86	Post retirement Employment Restrictions	Cunningham	Brings back the "double-dipping" practice that the legislature ended in 2010 where government employees retiree then get rehired and collect retirement from the state while working for the state.		O	P	P		
HB 99	Military Retirement Income Tax Exemption	Perry	Exempts all retirement payments related to service within the armed forces from the income tax. Decreases the base, could force a raise in the rate if too many credits are approved.	FN: \$17.2 million	o				
1S HB 104	Property Taxation Amendments	J. Peterson	Allows for a property owner to opt-in to receive their property tax notice via email.		s	P	P	P	P
HB 117	Modifications to Post Retirement Employment	Cunningham	As part of other bills, allows a retiree to be reemployed with a participating employer after a certain period from the retirees's retirement and collect a retirement allowance as long as they have been retired for more than 60 days.		O				
HB 122	Sales Tax Exemption for Public Buildings Contractors	Powell	Amends the sales and use tax exemption for construction materials purchased for or by government entities for a government construction. Decreases the amount taxpayers pay for construction		s	P			
1S HB 162	Motion Picture Tax Credit Amendments	J. Peterson	Amends reporting requirements associated with incentives for state-approved productions by a motion picture company		m	P	P	P	P
HB 170	Medical Care Savings Tax Credit Repeal	J. Peterson	Repeals the medical care savings account tax credit. Sound policy eliminates tax credits to broaden the base and lower the rate.		m	P	P	P	P
3S HB 190	Taxation of Foreign Income Amendments	Wilson	Enacts an equitable adjustment for a pass-through entity engaging in manufacturing or oil and gas pipeline and related structure construction in a foreign country.		s	P	P	P	P
1 HB 193	Charter School Property Tax Amendments	Powell	Has the same language as SB 38.		s	P			
HB 202	Hygiene Tax Act	Duckworth	Adds a sales and use tax exemption for incontinence and feminine hygiene items.		o	F			
HB 208	Tax Issues Amendments	Eliason	Clarifies from which fund payments for the homeowners and renters tax credits should be paid; addresses the circumstances for which a transfer is made from the General Fund into the Education Fund for tax credits related to energy efficient vehicles.		m	P	P	P	P



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HB 215	Local Option Sales and Use Tax Amendments	Greene	Allows counties to impose a .25% sales tax to pay for b&c roads and transit. Users should pay for their use of the transportation system not sales taxes.		O	F			
1Sub HB 233	Tax Exemption for Military Survivor Benefits	Ray	Exempts from the income tax military survivor benefits for a spouse and dependent children.		o	P	P	P	P
1Sub HB 235	Remote Transactions Parity Act	McKell	Modeled off of NY's affiliate nexus bill, which is the most aggressive remote seller bill that has been upheld by the courts. The bill sets a state sales tax rate of 4.6% if the bill generates new tax collections between \$50-100 million, 4.5% if the tax collects between \$100-150 million, 4.39% between \$150-200 million, and 4.29% if over \$200 million.		s	P			
2Sub HB 242	Alternative Energy Development Tax Amendments	Handy	Would exempt purchases of alternative energy from the state and municipal sales tax.		m	P	P	P	P
HB 257	Water Funding Revisions	Perry	Re-allocates 1/16 sales tax earmark from transportation to support water funding		O				
HB 272	Voted and Board Leeway Modifications	Briscoe	Increases the amount of state guarantee money that a school district may receive from the voted local levy by increasing the maximum rate the state will guarantee over a certain number of years.		m	P	F		
HB 306	Taxation of Social Security and Retirement Benefits	Fawson	Enacts an individual income tax exemption for an individual with an adjusted gross income that is more than 50% attributable to social security benefits.		o				
HB 309	Sales and Use Tax Earmark Amendments	McCay	Removes a number of earmarks from the sales and use tax. The earmarks deal mostly with funding water projects and programs within the Division of Natural Resources. The bill is a product of the Tax Review Commission that met in 2015.		s				
3Sub HB 310	Tax Credit Review Amendments	J. Peterson	Requires the Revenue and Taxation Interim Committee to review credits under the individual income tax, corporate income tax, motor and special fuels act, taxation of admitted insurers, and GOED.		s	P	P	P	P
HB 327	Energy Tax Credit Amendments	J. Peterson	Reduces tax credits for residential and commercial energy systems that utilize solar power over time. Repeals the credits on January 1, 2021.		s	P			
HB 333	Electronic Cigarette Products, Nicotine Inhalers, and Related Revenue Amendments	Ray	Expands the cigarette and tobacco tax to include e-cigarette products which would be taxed at a rate of .86 of manufacturer's sales price with revenues to be deposited into the Electronic Cigarette Product and Nicotine Inhaler Tax Restricted Account.		m				
HB 356	Taxation of Solar Energy Devices	Knotwell	Creates a sales and use tax exemption for solar energy machinery, equipment, parts, and materials under certain circumstances		O	P			
HB 376	Property Tax and Fair Market Value	Greene	Calls on the county assessor to use an average of real property within a set area to determine the value of a "static" property.		m	P			
HB 459	Golf Course Property Tax Amendments	Ray	Sets fair market valuation methods for golf courses and hunting clubs. States that county assessors or commissions may use the income approach, the cost approach, and the sales comparison approach to determine the value of a golf course.		m				
HB 473	Local Government Revisions	Knotwell	Requires a local municipality to appropriate a percentage of fund revenue toward deficit fund balances. Requires a town to prepare month and quarterly financial reports.		s				

Senate Bills



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SB 15	Apportionment of Business Income Amendments	Henderson	Cleans up statute regarding corporate apportionment in Utah regarding three-weighted factors		s	P	P		P
SB 16	Tax Credit Amendments	Henderson	Allows for certain tax credits to continue being applied for taxpayers even if they do not appear on a tax form		s	P	P		P
SB 28	Water System Conservation Pricing	Jenkins	Requires all culinary districts to price water at an increasing price structure		s	P	P	P	P
SB 31	Tax Commission Levy Process	Harper	Allows greater enforcement of delinquent levies from the Tax Commission.		s	P	P	P	P
4 Sub SB 38	School Funding Amendments	Stephenson	Recommended from the Charter School Funding Taskforce. Levels funding among all LEA's by increasing charter schools access to the local replacement fund. Creates transparency in the property tax by showing both charter and public schools on the property tax notice.		s	P	P	P	P
SB 60	Low-Income Housing Tax Credit Allocation Amendments	Weiler	Extends tax credits for producers of low-income housing based on certain qualifications		m	P	P	P	P
SB 65	Sales and Use Tax Reporting Requirements	Harper	Requires online selling platforms to report to the Tax Commission sellers that have more than \$2,500 in sales in the state of Utah.		o				
SB 68	Property Tax Amendments	Harper	Allows for property tax exemptions for personal property leased to certain state agencies		s	P	P	P	P
SB 85	Sales and Use Tax Compliance Amendments	Harper	This bill creates an affiliate network for remote sellers to establish physical presence in the state, in order to require the seller to submit sales and use tax.		o				
SB 95	General Obligation Bonds Amendments	Fillmore	Lowers the amount of bonds that can be issued as related to transportation		s	P		P	P
SB 98	Arts and Cultural Funding Amendments	Dabakis	Requires that school districts allocate 3% of money to arts and culture education.	Defeated in committee	O			F	
2 Sub SB 99	Financial Transparency for Political Subdivisions	Henderson	Removes the exemption for entities with budgets below from \$10,000,000 from certain disclosure requirements.		S	P	P	P	P
2 Sub SB 102	High Cost Infrastructure Tax Credit Amendments	Okerlund	Modified and expands the definitions for businesses and other entities to receive a tax credit for high cost infrastructure and Tier 3 fuel compliance standards.		m	P	P	P	P
SB 112	Property Tax Assessment Amount	Stephenson	Creates the burden of proof on an assessor's office, in the circumstance a taxpayer appeal leads to greater valuation. Increases transparency during the valuation appeals process.		S	P	P	P	P
1 Sub SB 114	Municipal Utilities Amendments	Stevenson	Allows municipalities to fund and build their own telecommunications services.		m	P		P	P
SB 120	Property Tax Notice Amendments	Stephenson	Better defines tax increases by removing bond payments from tax revenue, for the purpose of public notice.		S	P		P	P
SB 128	Taxing Entities Taxing Rates	Henderson	Sets deadlines for taxing entities to submit proposed tax increases to the public via the budgeting process. If the entity does not abide or provide the detailed tax increase information by the date set, the entity cannot raise taxes in that year.		S				
SB 137	County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations and Facilities	Shiozawa	This bill allows counties to re-allocate funding for zoos and other zoological organizations, as well as restructures an opinion question related to ZAP taxes.		m	P		P	P



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SB 145	Property Taxes on Former Prison Property	Fillmore	Would move all collected property taxes on the prison site in Draper from the county to the state to pay for infrastructure and development. Leads to the possibility of local entities to raise taxes to fund gap.		O				
SB 159	Severance Tax Exemption Amendments	Van Tassell	Further the end date for certain severance tax exemptions.		s	P		P	P
1 Sub SB 164	Local Government Modifications	Henderson	Would allow a monthly payment property taxpayer to allocate payments to differing items on the property tax notice.		s	P	P	P	
SB 168	Property Tax Revisions	Bramble	Provides a process for real estate developers to seek deferral of property taxes.		m				
1 Sub SB 171	Economic Development Tax Credit Amendments	Bramble	Restructures tax credits for life science research, development, and manufacturing.		s	P	P	P	P
SB 178	Economic Development Revisions	Bramble	Expands sales tax exemptions for newly developed data centers in the state that meet certain qualifications.		s			P	P
2Sub SB 182	Sales and Use Tax Revisions	Harper	Modifies definitions to expand nexus in the state for remote sellers, and adds penalties for those that do not comply.		s			P	P
SB 196	Retail Bag Impact Reduction Program	Iwamoto	Imposes a fee on purchasers that use plastic bags, with 60% of collected fee being used to fund government programs.		O			P	
SB 228	Multicounty Assessing and Collecting Levy Amendments	Stephenson	Allows for a revenues already collected by an already existing fund, the Multicounty Appraisal Trust, to be used to create a single electronic filing system for county assessors.		s	P		P	P
SB 236	Utah Communications Authority Governance Amendments	Van Tassell	Restructures some aspect of the Utah Communications Authority governing body and its authority, including reporting to the Executive Appropriations Committee on whether it is appropriate to bond for a certain project.		s			P	P
1 Sub SB 245	Personal Property Amendments	Henderson	Following a recent court case, some pipelines could be construed as real property. Amends statute to keep the status quo, keeping pipelines as personal property.		s	P	P	P	P
2 Sub SB 246	Funding for Infrastructure Amendments	Adams	Uses sales tax earmark funds to create a loan program to fund construction of a port in California, at which Utah commodities can be exported.		s			P	P
SB 251	Water Funding Infrastructure Amendments	Adams	Requires the Water Development Commission to collect data and file a report on water infrastructure projects the state needs to build, as well as provide a necessary timeline in which these projects should be complete.		s			P	P
SB 257	Public Private Partnership Amendments	Okerlund	Would broadly expand the types of public-private partnerships that governmental entities can fund with taxpayer dollars.		o				
SB 258	Distribution of Local Sales Tax Revenue	Okerlund	Extend an existing program that would ensure that small cities and counties will receive a minimum of sales tax revenue.		s		P	P	P
SJR 3	Proposal to Amend Utah Constitution-Property Tax Exemptions	Harper	Accompanies SB68, allowing for a property tax exemption for personal property leased to certain state agencies		s	P	P	P	P



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SJR 4	Proposal to Amend Utah Constitution - Education Funding	Dabakis	Would remove the higher education system from the Education Fund, so that all monies within the Education Fund is allocated for the public school system.		O				

Highlighted positions indicate a change in the Association's position. This can occur as amendments and substitutes are added to the original legislation.

Lower case position letters indicate low profile positions.