

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Monday, January 22, 2018

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

**PLACE:** Room EW42

**MEMBERS:** Chairman Collins, Acting Vice Chairman Kauffman, Representative(s) Moyle, Raybould, Anderst, Dayley, Hartgen, Chaney, Nate, Thompson, Gestrin, Stevenson, Troy, Gibbs, Erpelding, Gannon

**ABSENT/  
EXCUSED:** Representative(s) Moyle, Erpelding

**GUESTS:** Cynthia Adrian, ISTC; Tom Shaner, ISTC; Don Williams, ISTC; Roger Seiber, Capital West; Nick Veldhouse, IAHD; Andrew Gleaton, Bilbao & Co

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

**RS 25668:** **Cynthia Adrian**, Tax Policy Specialist, Idaho State Tax Commission presented **RS 25668** relating to tobacco permits. This proposed legislation allows the Tax Commission to cancel a tobacco permit after 12 months of inactivity. They will reach out to permit holders during an annual review process and permits would be closed after two warning letters were sent advising the permit holder of the pending action. Permit holders can request the account to stay in effect. There are thirteen inactive permits as of today. Ms. Adrian stated that the Tax Commission had not had the opportunity to ever cancel the permits and that this is basically a clean up of their accounts.

**MOTION:** **Rep. Dayley** made a motion to introduce **RS 25668. Motion carried by voice vote.**

**RS 25671:** **Tom Shaner**, Tax Policy Specialist, Idaho State Tax Commission presented **RS 25671** relating to income taxes. This proposed legislation provides a correct code reference relating to charitable contribution deduction calculations for part-time residents and nonresidents and to make a technical correction.

**MOTION:** **Rep. Kauffman** made a motion to introduce **RS 25671. Motion carried by voice vote.**

**RS 25672:** **Tom Shaner**, Tax Policy Specialist, Idaho State Tax Commission presented **RS 25672** relating to income taxes. This proposed legislation extends the deadline for taxpayers to report a change in their federal taxable income from 60 days to 120 days. Mr. Shaner clarified Idaho Code states to report immediately and the Tax Commission has proposed the change from 60 to 120 days which gets ahead of the Internal Revenue Service's (IRS) 90 day audit appeal deadline. Tom Shaner confirmed the Tax Commission does not impose penalties unless needed and that taxpayers' penalties are waived if they cooperate in a timely manner.

**MOTION:** **Rep. Thompson** made a motion to introduce **RS 25672. Motion carried by voice vote.**

**RS 25674:** **Cynthia Adrian**, Tax Policy Specialist, Idaho State Tax Commission presented **RS 25674** relating to cigarette and tobacco product taxes. This proposed legislation adds the reference to 63-3045B to sections 63-2516 and 63-2563, Idaho Code.

**MOTION:** **Rep. Kauffman** made a motion to introduce **RS 25674. Motion carried by voice vote.**

**RS 25675:** **Tom Shaner**, Tax Policy Specialist, Idaho State Tax Commission presented **RS 25675** relating to income taxes. This proposed legislation allows taxpayers to use available loss and credit carryovers in years beyond the normal statute of limitations if there is an increase in taxable income due to a bonus depreciation adjustment. Mr. Shaner confirmed there are no pending instances impacted by this change.

**MOTION:** **Rep. Dayley** made a motion to introduce **RS 25675**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 9:17 a.m.

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Representative Collins  
Chair

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Susan Steed  
Secretary