

MINUTES OF MEETING - COMMITTEE ON TAXATION - 56TH ASSEMBLY SESSION
February 24, 1971

PRESENT: Kean, Swallow, Lingenfelter, May, Smalley, Glaser, Smith

Chairman Kean convened meeting at 8:00 a.m.

AB-288 - Provides for adoption of city-county relief tax in counties with no
SB-164 incorporated cities.

Mr. Lingenfelter presented sub-committee report. Recommended consideration of AB-288--language clearer, better written, concurrence obtained from Senate Introducer of SB-164.

Mr. Lingenfelter moved the Committee make a Do Pass on AB-288;
Mr. May seconded; motioned carried.

AB-57 - Requires county to sell delinquent patented mining claims.

Mr. Smith moved the Committee Do Pass AB-57; Mr. Lingenfelter seconded; motion carried unanimously.

Proposed Bills - Mr. Smith read two, both proposing constitutional amendments to add certain tax exemptions. The first exempts "tangible personal property held in the ordinary course of business--"; the second exempts "tangible personal property held for sale in the ordinary course of business--".

Mr. Kean stated tax revenues would be reduced by approximately \$600,000 if this bill enacted. Mr. Smith suggested proposing as a replacement a transaction tax that would produce approximately \$4,500,000.

Mr. Glaser stated taxation of any livestock would represent a double taxation. He moved that the Committee introduce both bills and then hold a hearing on both. Mr. Lingenfelter seconded; the motion carried unanimously.

The Hearing will be held Tuesday, March 2. Interested persons to be notified.

AJR-5 - Proposes constitutional amendment prohibiting personal income tax.

Mr. Lingenfelter moved AJR-5 be indefinitely postponed; Mr. May seconded; motion carried unanimously.

AJR-6 - Proposes to amend constitution by permitting temporary exemptions from property tax for improvements to real estate..

This is intended to encourage new construction by preventing its immediate addition to tax rolls.

Mr. Glaser moved AJR-6 be indefinitely postponed; Mr. Swallow seconded; motion carried unanimously.

AJR-5 - 55th Session-- Proposes constitutional amendment to add certain exemptions from taxation.

Mr. Lingenfelter moved AJR-5 of 55th Session be indefinitely postponed; Mr. Smith seconded; motion carried unanimously.

Assembly

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63

AB
-361

Establishes minimal payments to incorporated cities and unincorporated towns from liquor and cigarette tax revenues.

This is a very important bill to the small towns and will be given much consideration. The Committee established a hearing date of Wednesday, March 3. Interested persons to be notified.

Mr. Kean said perhaps consideration could be given to "trading" this for the table tax which the small towns were likely to lose anyway. Mr. Lingenfelter said this would not equal the loss of the table tax.

Meeting adjourned.