

IDAHO STATE TAX COMMISSION

COMMISSIONERS' OPEN MEETING MINUTES OF MEETING FEBRUARY 9, 2016

In attendance: Commissioners Ken A. Roberts, Tom Katsilometes, Richard W. Jackson, and Elliot S. Werk; Michael Chakarun, Debbie Coulson, Valerie Dilley, Renee Eymann, Steve Fiscus, Scott Grothe, Roxanne Lopez, Robin O'Neill, Mark Poppler, Chuck Pond, Phil Skinner, Mike Teller, Randy Tilley, Doreen Warren; Rick Anderson, Cynthia Adrian, Rod Brevig, Glenda Smith, Don Williams; Mat Cundiff, George Brown, Nathan Nielson, Erick Shaner, David Young; Jerry Birch, Tracy Cook, Denise Hernandez, Lola Lynch, Dave Noland, and Mark Stone.,
Guest: Aaron Banks, Kay Christensen.

Public Session.

Chairman Ken A. Roberts convened the open meeting and welcomed all those in attendance.

Commissioner Richard W. Jackson presented Doreen Warren, Revenue Operations Division Administrator, with a Certificate of Appreciation in acknowledgement of her winning the Federation of Tax Administrators (FTA) The Harley T. Duncan Award. This prestigious 2016 FTA Leadership Award recognizes an individual who has demonstrated sustained and significant service in the practice and administration of state taxes. Commissioner Jackson noted that Doreen's work on the national tax scene and leadership with the states, IRS, and multiple industries over many years made her well deserving of this recognition. The commissioners expressed their appreciation for Doreen and especially her service at the Idaho State Tax Commission (Tax Commission).

Presentation of Certificates of Service.

Roxanne Lopez, Human Resources Officer, acknowledged the employees receiving a Certificate of Service. Roxanne stated how much their combined total of 75 years of state service was appreciated.

The Certificate of Service recipients in attendance were: Jerry Birch, Tax Auditor 1 (Audit Division), and Lola Lynch, Technical Records Specialist 2 (Audit Division), and Tracy Cook, Technical Records Specialist 1 (Revenue Operations Division), for 5 years of state service; Denise Hernandez, Technical Records Specialist 1 (Revenue Operations Division), for 10 years of state service; David Noland, Tax Bureau Chief (Collection Division), for 25 years of state service and a thank-you letter from the Governor.

The Certificate of Service recipients not in attendance were: Marcia Bedwell, Tax Compliance Technician, Idaho Falls Field Office (Collection Division), and Susan Frickey, Taxpayer Services Representative (Collection Division), for 5 years of state service; and Melinda Sam, Technical Records Specialist 1 (Revenue Operations Division), for 10 years of state service. Those absent will receive their certificates at a later time.

The commissioners expressed their congratulations to all the recipients and said how the recipients' combined total of 75 years of dedicated state service was commendable and how the everyday work they do is valued and appreciated.

Business Requiring Vote of the Commission.

Minutes: Open Meetings – January 20, 2016.

Commissioner Richard W. Jackson moved that the minutes of the open meetings held on January 20, 2016, be approved. Commissioner Elliot S. Werk seconded. There were no comments or amendments. All voted in the affirmative and the minutes of the open meetings held on January 20, 2016, were approved.

Forestland Values for Assessment Year 2016.

Rod Brevig, Forestland Tax Administrator, presented the 2016 Forestland Values for the state of Idaho to the Commission and recommended the Commission adopt the Forestland Values for 2016 to be used for assessment purposes. Rod reviewed a brief explanation on the recent history of Idaho's forestland values and acknowledged the four forestland value zones in Idaho. Chairman Roberts noted that the model used for the values works well, and since the HB357 legislation, the values have remained consistent, and are no longer volatile with huge swings. A brief discussion followed with Aaron Banks, a representative from Potlatch Corporation.

Commissioner Werk moved to adopt the 2016 Forestland Values for the state of Idaho, and Commissioner Jackson seconded. There were no comments or questions. All voted in the affirmative and the 2016 Forestland Values were adopted.

There was no more business requiring a vote of the Commission.

Administrative Reports.

Tax Policy, Michael Chakarun.

Michael Chakarun, Tax Policy Manager, reported that the conformity bill passed and was signed by the Governor that morning. In the afternoon, there would be four of the Tax Commission's proposed bills presented at Idaho's Senate Local Government and Taxation Committee.

Chairman Roberts expressed appreciation for Michael's guidance in getting the bills through the Legislature this year.

Management Services, Mark Poppler.

Mark Poppler, Financial Officer, reported that the final check for the Tax Commission's administration of a county's local option tax was received in the morning. There were no questions.

There were no more administrative reports.

Reports on Rules Committees.

[Income Tax, Administration & Enforcement, Kilowatt, Mine License Rules](#) – Committee Chair, Cynthia Adrian.

Cynthia Adrian, Income Tax, Administration & Enforcement, Kilowatt, and Mine License Rules Committee Chair, reported that all the Income Tax Administration Rules have been approved for this legislative session. The Income Tax Rules Committee is now closely monitoring legislation for the rest of the session.

There were no questions.

Motor and Special Fuels Tax Rules – Committee Chair, Don Williams.

Don Williams, the Motor and Special Fuels Tax Rules Committee Chair, reported that all the Motor and Special Fuels Tax Rules are in the House Transportation Committee. Chairman Roberts had presented the Motor and Special Fuels Tax Rules to the Senate Transportation Committee on January 21, 2016, and will present them to the House Transportation and Defense Committee on February 2, 2016. The Rules were heard and passed in the Senate Transportation Committee already and passed in a House Transportation and Defense sub-committee.

The commissioners appreciated the committee's efforts in the negotiated rulemaking process.

There were no questions.

Property Tax Rules – Committee Chair, Alan Dornfest.

Rick Anderson, Property Tax Policy Specialist, in the absence of Alan Dornfest, Property Tax Rules Committee Chair, reported that the Property Tax Rules Committee met on January 26, 2016. The next rules committee meeting will be on February 23, 2016, to discuss Rule 625 – Homeowners Exemption on Occupancy Tax Roll.

There were no questions.

There were no more rules committee reports.

Other Business.

There was no other business.

Public Comments.

Chairman Roberts asked if the guests in attendance had any comments.

There were no public comments.

Recess.

Chairman Roberts recessed the Public Session for five minutes to reconvene for the commissioners to meet with the Commission's legal counsel.

Reconvene Meeting.

Chairman Roberts reconvened the open meeting.

Executive Session.

Commissioner Jackson moved to go into the Executive Session with its legal counsel pursuant to Idaho Code § 74-206(1)(f) to discuss the current status of litigation to which the Commission is a party, in addition to discuss matters which are exempt pursuant to Idaho Code § 74-206(1)(b). Commissioner Elliot Werk seconded. A roll call vote was taken by Valerie Dilley, Executive Administrative Assistant. Commissioners Roberts, Katsilometes, Jackson, and Werk all voted in favor and the motion passed.

The Commission met in executive session with its legal counsel pursuant to Idaho Code § 74-206(1)(f) to discuss the current status of litigation to which the Commission is a party, in addition to discuss matters which are exempt pursuant to Idaho Code § 74-206(1)(b). No matters requiring a vote of the Commission resulted from the executive session.

Public Session.

Chairman Roberts declared the Executive Session ended and returned to the public session.

There being no further business, the meeting adjourned.

Valerie J. Dilley
Secretary

Ken A. Roberts
Chairman