



Citizen Commission for Performance Measurement of Tax Preferences

William A. Longbrake,
Commission Chair

Lily Kahng, *Vice Chair*
Associate Professor of Law
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Stephen Miller
President
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Paul Guppy
Vice President for Research
Washington Policy Center

Brian Sonntag
State Auditor

Senator Phil Rockefeller
Chair, Joint Legislative Audit
and Review Committee

Vacancy

Citizen Commission for Performance Measurement of Tax Preferences Meeting Minutes

October 29, 2008

Marriott SeaTac Airport, Salon A
SeaTac, WA

Members Present:

Paul Guppy
Lily Kahng
William A. Longbrake
Stephen Miller

Members Absent:

Sen. Phil Rockefeller
Brian Sonntag

Staff:

Ruta Fanning	Keenan Konopaski
Curt Rogers	Gary Benson
Lizbeth Martin-Mahar	Cindy Evans
Diane Morrill	Lisa Hennessy

WELCOME / INTRODUCTIONS

Commission Chair Bill Longbrake welcomed those in attendance and called the meeting to order at 1:15 p.m.

APPROVAL OF MEETING MINUTES

MOTION: A motion was made to approve the September 5, 2008, meeting minutes.
The motion was seconded and carried.

2009 COMMISSION MEETING SCHEDULE

Ruta Fanning presented a draft 2009 Commission meeting schedule.

MOTION: A motion was made to approve the 2009 meeting schedule.
The motion was seconded and carried.

2009 TAX PREFERENCE REVIEW SCHEDULE AND PROPOSED SCOPE AND OBJECTIVES

Gary Benson and Lizbeth Martin-Mahar presented a recap of the 2009 review schedule as adopted at the September 5, 2008, meeting.

Mr. Benson and Ms. Martin-Mahar also presented proposed scope and objectives for full, expedited, and “expedited light” reviews. Mr. Benson explained that the first “expedited light” reviews would not occur until 2010.

DISCUSSION/APPROVAL OF COMMISSION COMMENTS ON 2008 TAX PREFERENCE REVIEWS

The Commission discussed the 2008 Tax Preference Reviews.

Full reviews were endorsed without comment except for the following:

MOTION: A motion was made that the Commission not endorse JLARC’s recommendation that the Legislature continue the property tax exemption for intangible personal property. The motion included the following comment:

Given the revenue impact of the exemption (\$11 billion in 2008), the dramatic growth of intangible property in the New Economy, and the impact of such a large exemption on the adequacy, efficiency and fairness of the tax system, the Commission recommends that the Legislature study the exemption and consider how to appropriately treat intangible property.

The motion was seconded and carried.

MOTION: A motion was made endorsing JLARC’s recommendation that the motor vehicle fuel tax and special fuel tax exemption for exported and imported fuel be continued. The motion included the following comment:

The Commission recommends the Legislature consider whether to modify this exemption in light of US Supreme Court decisions subsequent to enactment of this exemption.

The motion was seconded and carried.

Expedited reviews were endorsed without comment with the following exception:

MOTION: A motion was made that the Commission not endorse JLARC’s recommendation regarding wood biomass fuel. The Commission recommends that these preferences be allowed to expire in 2009 unless there is evidence that taxpayers plan to use them.

The motion was seconded and carried.

PUBLIC COMMENT

No public signed up for comment.

The meeting was adjourned at 2:45 p.m.