

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman John Edmonds at 9:00 a.m. on February 20, 2004 in Room 519-S of the Capitol.

All members were present.

Committee staff present:

Chris Courtwright, Legislative Research Department
Martha Dorsey, Legislative Research Department
Gordon Self, Revisors of Statutes
Carol Doel, Committee Secretary

Conferees appearing before the committee:

Others attending:

See Attached List.

Chairman Edmonds called for any bill introductions. Seeing none, he directed the committee's attention to **HB 2599**.

*The Chairman recognized Representative Siegfried who make a motion to amend **HB 2599** by striking Section 11 in its' entirety. The motion was seconded by Representative Goering.*

Representative Siegfried moved his amendment.

Vote was taken motion passed.

*Representative Siegfried made a motion that **HB 2599** be moved out of the committee favorably as amended. Representative Goico seconded the motion.*

Chairman Edmonds opened the floor for discussion on the amended bill.

Representative Larkin opposed passing the bill out favorably. He stated that he felt that there are a number of things that can be done as a committee to help make the law that was passed last year work better.

Representative Sawyer also opposed **HB 2599** as amended. He stated that he felt it would be a big mistake for the committee to pass out a bill that essentially repeals destination sourcing for a long period of time. He felt it sent a wrong message to businesses and gave them a false hope.

Representative Miller voiced his opposition to the amended **HB 2599** stating he agreed with the same issues as Representative Sawyer.

It was the opinion of Representative Schwab that **HB 2700** was a better way to go, but he will support **HB 2599**.

Next to opine on **HB 2599** was Representative Owens who stated that the more thought he gave to the bill, the more he came to the conclusion that this was the right bill to pass. It was his feeling that the original bill was passed in haste. He also feels that Congress needs to deal with this as it is a national problem.

Representative Gordon stated that she is in full support of the amended **HB 2599**.

In the opinion of Representative Kirk, she stated she was equally concerned about small business, but delaying the bill is not going to protect the small businesses. In her opinion the real issue is how to mitigate the problems they are experiencing and there are things that could be done with the existing bill that would help mitigate the problem. Something needs to be done to support small businesses, but postponement is not the answer. She opposes the **HB 2599**.