

**MINUTES
TAX REFORM AND RELIEF LEGISLATIVE TASK FORCE
MARCH 20, 2018**

The Tax Reform and Relief Legislative Task Force met Tuesday, March 20, 2018, at 9:00 a.m., in Room A-MAC, Little Rock, Arkansas.

Task Force members present: Senators Jim Hendren, chair, Joyce Elliott, Bart Hester, Missy Irvin, Larry Teague, and David Wallace; Representatives Lane Jean, chair, Frances Cavanaugh, Jim Dotson, Kenneth B. Ferguson, Joe Jett, Bob Johnson, and Mathew Pitsch.

Other legislators present: Senators Linda Chesterfield, John Cooper, Jane English, Trent Garner, Jimmy Hickey, Jr., and Bill Sample; Representatives Fred Allen, Charlie Collins, Andy Davis, Vivian Flowers, Jeremy Gillam, Kim Hammer, Douglas House, Austin McCollum, Aaron Pilkington, Chris Richey, Marcus Richmond, Johnny Rye, Jeff Wardlaw, Jeff Williams, and Richard Womack.

Representative Jean called the meeting to order.

Responses to Inquires Raised by Task Force Members on March 19, 2018 [Handout #1]

Mr. Walter Anger, Deputy Director and Commissioner of Revenue; Mr. Paul Gehring, Assistant Commissioner of Revenue; and Dr. John Shelnett, Administrator, Economic Analysis and Tax Research, Department of Finance and Administration (DFA), were recognized to present a handout in response to inquiries raised by task force members at the March 19, 2018, task force meeting regarding sales tax collections from state and local levies, motor fuel exemptions, and the Streamlined Sales and Use Tax Agreement.

Recommendations or Modifications for Sales Tax Rates and Exemptions to be Discussed and Considered at the April 2018 Meeting

Task force members submitted to staff their list of suggested topics regarding sales tax exemptions to discuss and consider at the April 25, 2018, meeting. Staff consolidated the list and was recited by Representative Jean to the task force members during the meeting.

Consideration of Motion to Approve Contracting for Outside Group to Conduct Dynamic Scoring

Mr. Richard Wilson, Assistant Director, Bureau of Legislative Research (BLR), was recognized to give an update regarding negotiations between BLR and Regional Economic Models, Inc. (REMI) for consulting services and fees. Mr. Wilson advised that the REMI contract will start on May 1, 2018, and continue until April 30, 2019. A motion from the task force to allow the chairs to finalize the REMI professional services agreement contract was approved by acclamation. The contract will go before the ALC- Policy Making Subcommittee for discussion and approval and will then go before the Arkansas Legislative Council for final approval.

The next Tax Reform task force meetings will be Wednesday and Thursday, April 25 and 26, 2018.

The meeting adjourned at 10:10 a.m.