

**Recommended Action Items for 2003 Tax Restructuring**  
**(Proposed at September 12 meeting)**

1. Adopt Orrock Subcommittee Report with standards for charitable organization sales tax exemptions, with moratorium on new exemptions. (Task Force 2 -- Item 1)
2. Restore conformity with federal income tax law, with the exception of accelerated depreciation and carry back loss issues to essentially eliminate fiscal impact.  
(Task Force 1 -- Item 1)
3. Revise administrative appeals process for income taxpayers to provide:
  - a) an independent hearing officer (Task Force 1 -- Item 8)
  - b) no payment of tax in advance (Task Force 2 -- Item 8)
4. Eliminate June accelerated sales tax collections in 2002-2004 budget -- pushes \$118 million back to FY 03. (Task Force 2 -- Item 8)
5. Revise property tax appeals process to clarify procedures and standard of proof for taxpayer. (Task Force 2 -- Item 10)
6. Phase out death tax beginning in FY 05. (Task Force 2 -- Item 10)
7. Commonwealth shall impose no new unfunded mandates on localities, and to maximum extent possible, eliminate existing ones. (Task Force 1 -- Item 7)
8. Enact a moratorium on new categories of sales and use tax exemptions.  
(Task Force 2 -- Item 4)
9. Maintain policy of no sales tax on access to Internet and digital downloads.  
(Task Force 2 -- Item 9)