

Fiscal Highlights

How Have Tax Changes in Utah Compared to the Nation? - Thomas E. Young

Every spring and winter, the National Association of State Budget Officers (NASBO) releases numbers on what states have done with budgeted revenue, known as their Fiscal Survey of the States. How do tax changes in Utah compare to the nation as a whole?

The pink line in the figure below corresponds with the right axis and represents tax changes enacted by Utah.

The brown bars correspond with the left axis and represent net tax changes across the 50 states, as reported by NASBO.

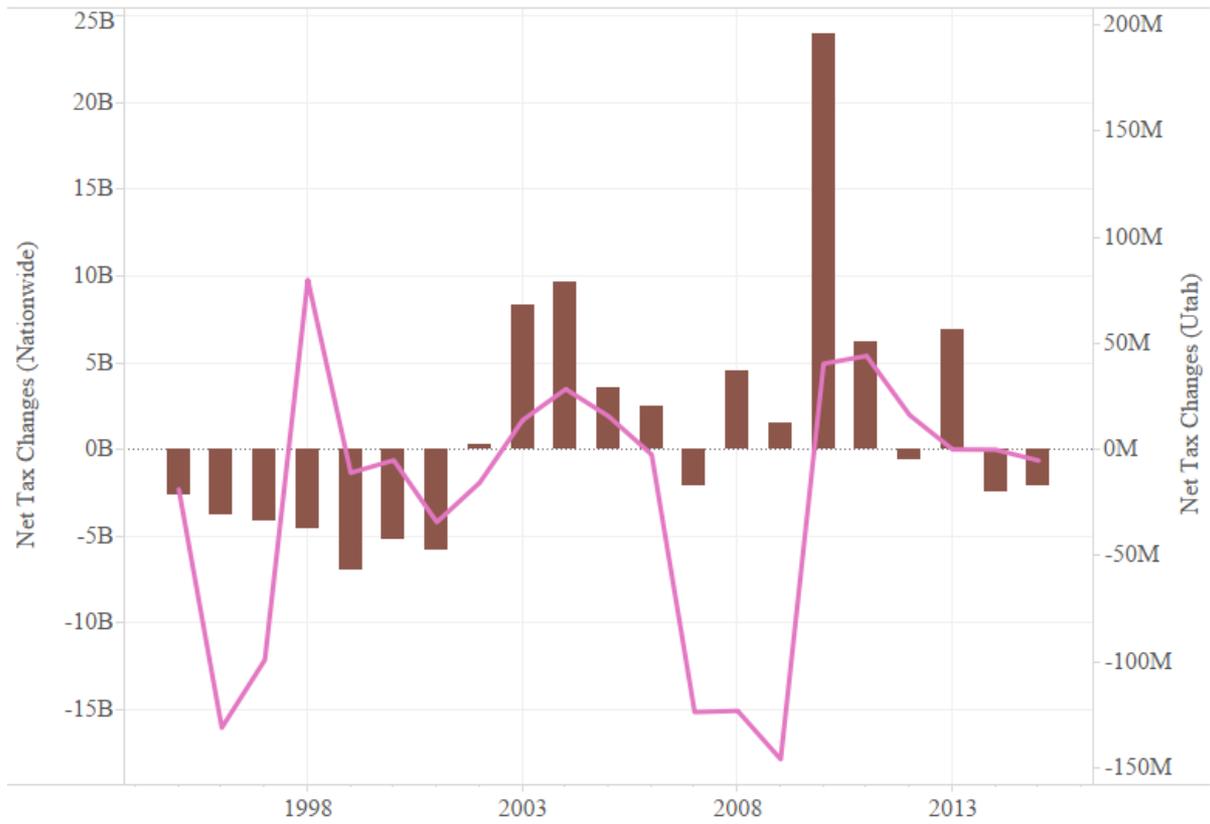
Overall, Utah tax policy somewhat follows the national trend and the business cycle. Prior to the NASDAQ bust, the general trend was for states to reduce tax liability, and, with the exception of 1998, Utah followed that general trend.

Following the NASDAQ correction, on the net, states increased the tax burden. Utah followed that trend until 2007.

From 2007 to 2011, the states flipped from implementing net tax reductions to net tax increases, peaking at \$24 billion in 2010. Utah was somewhat aligned, reducing the tax burden from 2007 to 2009, after which, net tax increases were the story until 2013.

The two most recent years - 2014 and 2015 - have seen, for the first time since 2001, two consecutive years of net tax burden reductions for both Utah and the nation.

State Enacted Tax Changes, Utah Compared to the Nation



Sources: NASBO, LFA

Measure Names

- Net Tax Changes (Nationwide) (left axis, brown bars)
- Net Tax Changes (Utah) (right axis, pink line)

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