

Fiscal Highlights

How Close Did We Come to the Cap on Sales Tax Earmarks for Transportation in FY 2014? -

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Since 2005, the Legislature has earmarked portions of the sales tax for highway construction projects. The two earmarks that generate the most revenue are the 8.3% of sales tax earmark in [UCA 59-12-103\(8\)\(a\)\(i\)](#) and the 30% of sales tax growth (over the FY 2011 base earmark) in [UCA 59-12-103\(8\)\(a\)\(ii\)](#) (S.B. 229, 2011 G.S.)

These two earmarks generated \$271 million in FY 2014 as follows:

- 8.3%: \$175 million
- 30%: \$96 million

Statute ([UCA 59-12-103\(8\)\(b\)\(ii\)](#)) caps deposits from those two earmarks to transportation projects at 17% of sales tax collections. In FY 2014, the 17% cap was approximately \$359 million. Therefore, actual deposits were approximately \$88 million under the cap.

- FY 2014 17% Cap: \$359 million
- FY14 Deposits: \$271 million
- Cap Space: \$88 million

In addition to the two capped earmarks, other sales tax earmarks for transportation include (FY 2014 Actual Amounts):

- \$90 million
- 1/16% (\$31 million)
- 1/64% (\$8 million)
- .025% (\$11 million)
- .025% for chokepoints (\$11 million)