

FISCAL NOTE

S.B. 270

SHORT TITLE: Modifications to Sales and Use Tax - As Amended

SPONSOR: Adams, J. S.

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

This bill decreases revenue to the General Fund by \$3,183,300 in FY 2012 and \$9,358,800 in FY 2013. The Transportation Investment Fund of 2005 and the Critical Highway Needs Fund are expected to see an increase in revenue of \$1.1 million annually.

STATE BUDGET DETAIL TABLE

	FY 2011	FY 2012	FY 2013
Revenue:			
General Fund	\$0	(\$9,358,800)	(\$9,358,800)
General Fund, One-Time	\$0	\$6,175,500	\$0
Transportation Fund Restricted	\$0	\$1,100,000	\$1,100,000
Transportation Fund Restricted	\$0	\$1,100,000	\$1,100,000
Total Revenue	\$0	(\$983,300)	(\$7,158,800)
Expenditure	\$0	\$0	\$0
Net Impact, All Funds (Rev.-Exp.)	\$0	(\$983,300)	(\$7,158,800)
Net Impact, General/Education Funds	\$0	(\$3,183,300)	(\$9,358,800)

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Local entities are expected to see an increase in sales tax revenue of \$31.7 million in FY 2012 and \$33.9 million in FY 2013.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

By decreasing the general sales tax rate and increasing the food tax rate, this bill shifts the tax burden from non-food purchases to food purchases. Businesses are expected to see a decrease in the cost of complying with the sales tax statute by a minimum of \$1,000,000 annually.