

FISCAL NOTE

H.B. 55

SHORT TITLE: Amendments Related to Education Funding - As Amended

SPONSOR: Briscoe, J.

2013 GENERAL SESSION

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

By fixing the personal exemption at \$2,850, enactment of this bill increases income tax revenue by 9,155,000 in FY 2014 and \$9,796,000 in FY 2015. Also, presuming a constant WPU value, by freezing the basic rate at the higher of 0.001691 or the certified revenue levy, enactment of this bill frees-up \$15,000,000 in FY 2015 in Education Fund appropriations to the WPU value.

STATE BUDGET DETAIL TABLE

	FY 2013	FY 2014	FY 2015
Revenue:			
Education Fund	\$0	\$9,796,000	\$9,796,000
Education Fund, One-Time	\$0	(\$641,000)	\$0
Property Tax	\$0	\$0	\$15,000,000
Total Revenue	\$0	\$9,155,000	\$24,796,000
Expenditure:			
Education Fund	\$0	(\$15,000,000)	(\$15,000,000)
Education Fund, One-Time	\$0	\$15,000,000	\$0
Total Expenditure	\$0	\$0	(\$15,000,000)
Net Impact, All Funds (Rev.-Exp.)	\$0	\$9,155,000	\$39,796,000
Net Impact, General/Education Funds	\$0	\$9,155,000	\$24,796,000

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

Enactment of this bill likely will not result in direct, measurable costs for local governments.

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

By fixing the personal exemption component on the income tax return, enactment of this bill increases the income tax liability of individuals by \$9,155,000 in FY 2014 and \$9,796,000 in FY 2015. The bill also imposes a minimum basic tax rate at the greater of 0.001691 or the certified revenue levy. By doing so, individuals and businesses will see an increase in property tax liability by an estimated \$15,000,000 in FY 2015.

PERFORMANCE NOTE (JR 4-2-404): Not Required