

FISCAL NOTE

H.B. 98

SHORT TITLE: Severance Tax Revisions

SPONSOR: King, B.

2013 GENERAL SESSION

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

Enactment of this bill increases severance tax revenue by \$37,765,000 in FY 2014 and \$76,243,000 in FY 2015. The bill then shifts the new and existing tax revenue from the General Fund to either the Permanent State Trust Fund or the Education Fund. The anticipated shift of existing severance tax revenue from the General Fund to the Permanent State Trust Fund is \$59,374,000 in FY 2014 and \$91,085,000 in FY 2015. The expected shift of existing severance tax revenue from the General Fund to the Education Fund is \$32,026,000 in FY 2014 and \$4,118,000 in FY 2015. The remainder, which is new revenue of \$37,765,000 in FY 2014 and \$76,243,000 in FY 2015, is deposited in the Education Fund. The one-time General and Education Fund revenue amounts in FY 2014 represent the difference between the ongoing revenue amounts for FY 2015 and the anticipated revenue in FY 2014.

STATE BUDGET DETAIL TABLE

	FY 2013	FY 2014	FY 2015
Revenue:			
General Fund	\$0	(\$95,203,000)	(\$95,203,000)
General Fund, One-Time	\$0	\$3,803,000	\$0
Education Fund	\$0	\$80,361,000	\$80,361,000
Education Fund, One-Time	\$0	(\$10,570,000)	\$0
Restricted Funds	\$0	\$59,374,000	\$91,085,000
Total Revenue	\$0	\$37,765,000	\$76,243,000
Expenditure	\$0	\$0	\$0
Net Impact, All Funds (Rev.-Exp.)	\$0	\$37,765,000	\$76,243,000
Net Impact, General/Education Funds	\$0	(\$21,609,000)	(\$14,842,000)

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))

Individuals and businesses would pay increased taxes of \$37,765,000 in FY 2014 and \$76,243,000 in FY 2015.

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