

FISCAL NOTE

S.B. 119 1st Sub. (Green)

SHORT TITLE: Sales and Use Tax Exemption Amendments

SPONSOR: Reid, S. (Reid, S. Sub.)

2014 GENERAL SESSION

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

Enactment of this bill may reduce revenue to the General Fund by \$6,000,000 in FY 2015 and \$12,600,000 in FY 2016. Presuming no change in economic activity, the bill may reduce revenue to the General Fund by \$36,465,000 when fully phased-in in FY 2019.

STATE BUDGET DETAIL TABLE

	FY 2014	FY 2015	FY 2016
Revenue:			
General Fund	\$0	(\$12,600,000)	(\$12,600,000)
General Fund, One-Time	\$0	\$6,600,000	\$0
Total Revenue	\$0	(\$6,000,000)	(\$12,600,000)
Expenditure	\$0	\$0	\$0
Net Impact, All Funds (Rev.-Exp.)	\$0	(\$6,000,000)	(\$12,600,000)
Net Impact, General/Education Funds	\$0	(\$6,000,000)	(\$12,600,000)

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

Enactment of this bill could reduce sales tax revenue to local taxing entities by \$2,566,000 in FY 2015 and \$5,388,500 in FY 2016.

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

Businesses purchasing certain equipment could see a reduction in their sales tax burden by \$8,566,000 in FY 2015 and \$17,988,500 in FY 2016. Presuming no change in economic activity, the bill may reduce revenue to the General Fund by \$36,465,000 when fully phased-in in FY 2019.

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