



Fiscal Note
S.B. 110 1st Sub. (Green)
 2017 General Session
 Sales Tax Collection Amendments
 by Bramble, C. (Bramble, Curtis.)



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$745,000	\$(129,000)	\$616,000

State Government

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

To the extent that remote sellers change behavior as a result of this bill, the State may collect unpaid sales tax on remote sales. We estimate that as much as \$220 million in tax on such sales will go unpaid in FY 2018. The bill does not establish a new tax, define new taxable sales, or change tax rates. The elimination of the 18% remote sales tax vendors discount may result in an increase in sales tax revenue on existing collections of \$704,000 in FY 2018 and \$980,000 in FY 2019. Of the total amount, \$535,000 would go to the General Fund in FY 2018 and \$745,000 would go to the General Fund in FY 2019, with the remainder being set-aside into restricted funds. This bill transfers the balance in the Remote Sales Tax Restricted Account to the General Fund, amounting to \$81,000 one-time in FY 2017.

Revenues	FY 2017	FY 2018	FY 2019
General Fund	\$0	\$745,000	\$745,000
GFR - Remote Sales Account	\$(81,000)	\$0	\$0
General Fund, One-Time	\$81,000	\$(210,000)	\$0
Designated Sales Tax	\$0	\$169,000	\$235,000
Total Revenues	\$0	\$704,000	\$980,000

Enactment of this legislation likely will not materially impact state expenditures.

Expenditures	FY 2017	FY 2018	FY 2019
Total Expenditures	\$0	\$0	\$0

Net All Funds	\$0	\$704,000	\$980,000
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Local Government

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

To the extent that remote sellers collect and remit sales taxes under this bill, revenue to local governments could increase by as much as \$94 million. The elimination of the 18% remote sales tax vendors discount may increase sales tax revenue on existing local government collections by \$314,000 in FY 2018 and \$438,000 in FY 2019.

To the extent that remote sellers begin collecting and remitting sales taxes under this bill, businesses and individuals could pay up to \$314 million more on existing sales and use tax liabilities. The elimination of the 18% remote sales tax vendors discount may result in a businesses losing sales tax collection discounts of \$1,018,000 in FY 2018 and \$1,418,000 in FY 2019.

Performance Note

JR4-2-404

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.