
H.B. 229 - Public School Funding - As Amended

Fiscal Note

2009 General Session

State of Utah

State Impact

Enactment of this bill raises the sales tax which increases revenue to the Uniform School Fund by \$617,000,000 in FY 2011. Revenue to the Education Fund will increase by \$7,700,000 because the decreased property tax will not be claimed on income tax returns. Due to the provision related to local replacement for charter schools, enactment of this bill would free up Uniform School Fund appropriations of \$35,000,000.

	2009	2010	2011	2009	2010	2011
	<u>Approp.</u>	<u>Approp.</u>	<u>Approp.</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>
Uniform School Fund	\$0	\$0	(\$35,000,000)	\$0	\$0	\$617,000,000
Education Fund	\$0	\$0	\$0	\$0	\$0	\$7,700,000
Property Tax	\$0	\$0	\$0	\$0	\$0	(\$652,000,000)
Total	\$0	\$0	(\$35,000,000)	\$0	\$0	(\$27,300,000)

Individual, Business and/or Local Impact

Property tax for individuals and businesses will decrease by \$652,000,000 in FY 2011. Local taxing entities will be unable to raise property tax above the certified rate. Because of this, and based upon historical information, local taxing entities will be unable to raise property taxes by \$71,000,000 in FY 2011; businesses and individuals will not experience an increase in property tax of \$71,000,000 in FY 2011 that historically would have been paid. On the provision related to the uniform fee, school districts will experience a loss of \$3,000,000 in FY 2011 whereas other local taxing entities will experience an increase of \$3,000,000. On the provision related to the capital outlay foundation program, there will be a shift of \$14,000,000 to high growth districts from non-high growth districts.