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**H.B. 137 - Public School Funding - As Amended**

**Fiscal Note**

2010 General Session  
State of Utah

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**State Impact**

This bill increases the non-food sales tax rate by 0.1% and earmarks the increase for public schools. It also reduces property taxes by an equal amount. The bill requires a one-time appropriation to the Tax Commission for printing and mailing of bulletins.

	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
	<u><b>Approp.</b></u>	<u><b>Approp.</b></u>	<u><b>Approp.</b></u>	<u><b>Revenue</b></u>	<u><b>Revenue</b></u>	<u><b>Revenue</b></u>
Uniform School Fund	\$0	\$0	\$0	\$0	\$17,849,300	\$36,780,700
Uniform School Fund, One-time	\$0	\$28,800	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$28,800</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,849,300</b>	<b>\$36,780,700</b>

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**Individual, Business and/or Local Impact**

Local taxing entities must decrease local property taxes by the amount received from the sales tax, which is \$36,780,700 in FY 2012. The sales tax increase is in effect for the second half of FY 2011. The sales tax generated within a given district's boundaries will be greater or less than the amount received through the WPU. The total shift is \$9,452,700 in FY 2012.

The uniform fee provision alters the distribution of revenue from variable to a fixed percentage. The total shift is \$1,900,000.

Local taxing entities will be unable to raise property taxes for the next two years.