

FISCAL NOTE

H.B. 167

SHORT TITLE: Government Enterprise Gross Receipts Tax to Fund Education

SPONSOR: Anderson, Johnny

2013 GENERAL SESSION

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

Enactment of this bill imposes a 5% gross receipts tax on governmental entities involved in correctional facility manufacturing, fitness centers, golf courses, health care services, janitorial services, and rental of space. The anticipated revenue increase to the Education Fund is \$113 million in FY 2014 and \$119 million in FY 2015. This bill increases tax payment costs for the affected entities by \$12,090,00 in FY 2014 and \$12,690,000 in FY 2015.

STATE BUDGET DETAIL TABLE

	FY 2013	FY 2014	FY 2015
Revenue:			
Education Fund	\$0	\$119,000,000	\$119,000,000
Education Fund, One-Time	\$0	(\$6,000,000)	\$0
Total Revenue	\$0	\$113,000,000	\$119,000,000
Expenditure:			
General Fund	\$0	\$12,587,700	\$12,587,700
General Fund, One-Time	\$0	(\$595,100)	\$0
Education Fund	\$0	\$102,300	\$102,300
Education Fund, One-Time	\$0	(\$4,900)	\$0
Total Expenditure	\$0	\$12,090,000	\$12,690,000
Net Impact, All Funds (Rev.-Exp.)	\$0	\$100,910,000	\$106,310,000
Net Impact, General/Education Funds	\$0	\$100,910,000	\$106,310,000

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

Local governmental entities involved in fitness centers, golf courses, health care services, janitorial services, and/or rental of space will see a 5% gross receipts tax, representing a tax liability increase of \$107 million in FY 2014 and \$112 million in FY 2015. This bill increases tax payment costs for the affected entities by \$100,900,000 in FY 2014 and \$106,300,000 in FY 2015.

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

This bill represents a tax liability increase of \$113,000,000 in FY 2014 and \$119,000,000 in FY 2015.

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