

FISCAL NOTE

H.B. 187

SHORT TITLE: Severance Tax Revisions

SPONSOR: Briscoe, J.

2014 GENERAL SESSION

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

Enactment of this bill may increase severance tax revenue by \$66,176,000 in FY 2015 and \$132,351,000 in FY 2016. The bill shifts revenue from the General Fund to the Education Fund, which increases revenue to the Education Fund by \$77,130,300 in FY 2015 and \$95,800,000 in FY 2016 and reduces revenue to the General Fund by \$92,345,000 in FY 2015 and \$100,849,000 in FY 2016. The bill also changes the severance tax allocation to the Permanent State Trust Fund (PSTF), which increases revenue to the PSTF by \$81,390,800 in FY 2015 and \$137,400,000 in FY 2016.

STATE BUDGET DETAIL TABLE

	FY 2014	FY 2015	FY 2016
Revenue:			
General Fund	\$0	(\$100,849,000)	(\$100,849,000)
General Fund, One-Time	\$0	\$8,504,000	\$0
Education Fund	\$0	\$95,800,000	\$95,800,000
Education Fund, One-Time	\$0	(\$18,669,800)	\$0
Restricted Funds	\$0	\$81,390,800	\$137,400,000
Total Revenue	\$0	\$66,176,000	\$132,351,000
Expenditure	\$0	\$0	\$0
Net Impact, All Funds (Rev.-Exp.)	\$0	\$66,176,000	\$132,351,000
Net Impact, General/Education Funds	\$0	(\$15,214,800)	(\$5,049,000)

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

Enactment of this bill likely will not result in direct, measurable costs for local governments.

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

Businesses paying severance tax and individuals purchasing products derived from oil, natural gas, and other items subject to severance tax may see a tax increase of \$66,176,000 in FY 2015 and \$132,351,000 in FY 2016.

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