



Fiscal Note

H.B. 148

2018 General Session
Tax Revisions
by Quinn, T.



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$996,800	\$0	\$996,800

State Government

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

Enactment of this legislation is roughly revenue neutral. However, it is estimated that small impacts will occur to both the General Fund and the Transportation Investment Funds beginning in FY 2019. In FY 2019 General Fund revenue could increase by \$996,800 and Transportation Earmarks could increase by \$259,900.

Revenues	FY 2018	FY 2019	FY 2020
General Fund	\$0	\$996,800	\$996,800
Transportation Investment Fund of 2005	\$0	\$259,900	\$259,900
Total Revenues	\$0	\$1,256,700	\$1,256,700

Enactment of this legislation could cost the Tax Commission \$45,000 one-time from the General Fund to send new sales tax bulletins to all sales tax accounts.

Expenditures	FY 2018	FY 2019	FY 2020
GFR - Sales and Use Tax Admin Fees	\$45,000	\$0	\$0
Total Expenditures	\$45,000	\$0	\$0

Net All Funds	\$(45,000)	\$1,256,700	\$1,256,700
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Local Government

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

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

Taxpayers could see decreased tax liability on grocery food and an increased tax liability on all other taxable purchases subject to the general sales tax rate. The aggregate impact is an estimated increase of \$1,256,700. However, the actual impacts will vary by household and business depending on the mix of expenditures between grocery food and other taxable items. Household that spend proportionally higher amounts of their expenditures on grocery food are more likely to benefit. Households that use food stamps to purchase grocery food will not benefit as much from the reduced grocery food rate as food stamp purchases are already exempt from sales tax. Businesses and individuals that do not purchase much or any grocery food will pay more in sales tax due to the 0.24% addition to the state general sales tax rate.

Regulatory Impact

Enactment of this legislation could result in a small increase in the regulatory burden for Utah residents or businesses.

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.