



**Fiscal Note**  
**H.B. 182**

2018 General Session  
Local Option Sand and Gravel Tax  
by Nelson, M.



**General, Education, and Uniform School Funds**

JR4-5-101

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

**State Government**

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

Enactment of this legislation likely will not materially impact state revenue.

Revenues	FY 2018	FY 2019	FY 2020
Total Revenues	\$0	\$0	\$0

Enactment of this legislation could cost the Tax Commission \$252,000 one-time from the State Tax Commission Administrative Charge Account, in FY 2019, to implement required changes to the database system, processes and forms.

Expenditures	FY 2018	FY 2019	FY 2020
GFR - Sales and Use Tax Admin Fees	\$0	\$252,000	\$0
Total Expenditures	\$0	\$252,000	\$0

<b>Net All Funds</b>	<b>\$0</b>	<b>\$(252,000)</b>	<b>\$0</b>
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**Local Government**

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

Enactment of this bill could increase tax revenues for local governments that impose the tax. Tax revenues from the sand and gravel tax can be used for the construction and maintenance of highways. Should all counties impose this tax, it would generate approximately \$3.6 million in additional local tax revenues.

**Individuals & Businesses**

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

Owners of sand and gravel pits in localities that choose to impose this tax would be subject to an increased tax liability equal to 10 cents per ton of sand and gravel extracted. The bill provides for a nonrefundable tax credit of \$200 per month or \$600 per quarter. Sand and gravel owners would only pay tax if their liability is greater than the nonrefundable credit. It is estimated that sand and gravel owners on average would pay approximately \$18,400 in tax for each pit that is subject to the full 10 cent per ton tax. Actual impacts would vary by pit and by year and would depend on if and at what rate the locality imposes the tax.

**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.