



Fiscal Note
H.B. 161 1st Sub. (Buff)
 2021 General Session
 Military Retirement Tax Amendments
 by Pierucci, C. (Pierucci, Candice.)



General, Education, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(24,633,000)	\$833,000	\$(23,800,000)

State Government

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

Revenues	FY 2021	FY 2022	FY 2023
Education Fund	\$0	\$(24,633,000)	\$(24,633,000)
Education Fund, One-time	\$0	\$833,000	\$0
Total Revenues	\$0	\$(23,800,000)	\$(24,633,000)

Enactment of this bill creates a nonrefundable income tax credit for military retirement pay which could reduce the Education Fund by an estimated \$23,800,000 in FY 2022 and \$24,633,000 in FY 2023.

Expenditures	FY 2021	FY 2022	FY 2023
Total Expenditures	\$0	\$0	\$0

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

	FY 2021	FY 2022	FY 2023
Net All Funds	\$0	\$(23,800,000)	\$(24,633,000)

Local Government

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

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

Individuals & Businesses

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

An estimated 18,094 military retirees may realize tax savings of \$1,315 on average for a total savings of \$23,800,000 in tax year 2021.

Regulatory Impact

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

Enactment of this legislation likely will not change 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.