



Fiscal Note

H.B. 203

2022 General Session
 Food Sales Tax Modifications
 by Rohner, J.



General, Education, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(122,400,000)	\$20,160,000	\$(102,240,000)

State Government

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

Revenues	FY 2022	FY 2023	FY 2024
General Fund	\$0	\$(122,400,000)	\$(122,400,000)
General Fund, One-time	\$0	\$20,160,000	\$0
Restricted Accounts (FN Only)	\$0	\$(39,760,000)	\$(47,600,000)
Total Revenues	\$0	\$(142,000,000)	\$(170,000,000)

Enactment of this legislation could reduce state sales tax revenue by approximately \$142 million one-time in FY 2023 and \$170 million ongoing beginning in FY 2024. Approximately 72% of the state revenue impacts would be to the General Fund (\$102.2 million one-time in FY 2023 and \$122.4 million ongoing beginning in FY 2024) and the remaining 28% to sales tax earmarks (\$39.8 million one-time in FY 2023 and \$47.6 million ongoing beginning in FY 2024).

Expenditures	FY 2022	FY 2023	FY 2024
Total Expenditures	\$0	\$0	\$0

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

	FY 2022	FY 2023	FY 2024
Net All Funds	\$0	\$(142,000,000)	\$(170,000,000)

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)

Enactment of this legislation could impact taxpayers' sales tax liability on food and food ingredients purchases. Under this bill, a household that spends \$5,000 annually on food/food ingredients would see tax savings of approximately \$87.50 per year. In total, it is estimated that changes in this bill would decrease sales tax liability for taxpayers by approximately \$142 million in FY 2023 and \$170 million in FY 2024.

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 Evaluation

JR1-4-601

This bill does not create a new program or significantly expand an existing program.

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.