



Fiscal Note
H.B. 443 2nd Sub. (Gray)

2022 General Session
 Utah Inland Port Authority Amendments -
 As Amended
 by Schultz, M. (Schultz, Mike.)



General, Education, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(130,000)	\$(19,000)	\$(149,000)

State Government

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

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

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

Expenditures	FY 2022	FY 2023	FY 2024
General Fund	\$0	\$130,000	\$130,000
General Fund, One-time	\$0	\$19,000	\$0
Total Expenditures	\$0	\$149,000	\$130,000

Enactment of this legislation could cost the Utah Inland Port Authority approximately \$130,000 ongoing from the General Fund beginning in FY2023 and \$19,000 one-time from the General Fund in FY2023 for personnel and related costs to establish and manage an incentive program. Additionally, for every business recruitment incentive approved for \$1.0 billion in capital expenditure, local school district contributions toward the cost of the Basic School Program would be approximately \$332,200 less than otherwise, which would require the Education Fund to cover those costs.

Net All Funds	FY 2022	FY 2023	FY 2024
	\$0	\$(149,000)	\$(130,000)

Local Government

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

Enactment of this legislation could increase new growth revenues from the 10 percent decrease in effective property tax differential given to the Authority. An immediate reduction of SLC's incremental values will increase their adjusted values to calculate the tax rate. Assuming this is not counted as reappraisal, the increase in the value difference from 2023 to 2022 will be counted as new growth. This amount represents approximately \$100,000 in additional new growth revenue that will become part of the revenue target for the certified tax rate in future years. As the percentage of property tax differential continues decrease over time, this will yield smaller increases to new growth revenues proportionate to the decrease in the property tax differential transferred to the Authority, increase in values and changes to the tax rate through to 2047. Additionally, for every business recruitment incentive approved for \$1.0 billion in capital expenditure, local governments could forego approximately \$2.6 million in property tax revenue.

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Individuals & Businesses

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

Enactment of this legislation could result in a property tax shift for businesses and individuals in Salt Lake City. The average impact would be approximately -\$0.77 for a \$350,000 primary residence and -\$4.00 for a \$1,000,000 business. Additionally, for every business recruitment incentive approved for \$1.0 billion in capital expenditure, recipients could receive approximately \$2.6 million in property tax revenue.

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.