



Fiscal Note
S.B. 59 2nd Sub. (Salmon)
2022 General Session
Tax Amendments
by McCay, D. (McCay, Daniel.)



General, Education, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(169,523,000)	\$(29,314,000)	\$(198,837,000)

State Government

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

Revenues	FY 2022	FY 2023	FY 2024
General Fund	\$0	\$(5,775,000)	\$(5,775,000)
General Fund, One-time	\$0	\$900,000	\$0
Education Fund	\$0	\$(163,748,000)	\$(163,748,000)
Education Fund, One-time	\$(11,455,000)	\$(18,759,000)	\$0
Restricted Accounts (FN Only)	\$0	\$(1,625,000)	\$(1,925,000)
Total Revenues	\$(11,455,000)	\$(189,007,000)	\$(171,448,000)

Enactment of this legislation could decrease revenue to the Education Fund by approximately \$11.5 million one-time in FY2022 and \$163.7 million ongoing beginning in FY2023, with an additional one-time impact of \$18.8 million in FY2023 due to forecasted accelerated revenue growth, for a total FY2023 impact of \$182.5 million. Additionally, enactment of this legislation could decrease state sales tax revenue by approximately \$6.5 million one-time in FY2023 and \$7.7 million ongoing beginning in FY2024. The impacts would be shared between the General Fund and sales tax earmarks in the following amounts: General Fund decrease of \$4.9 million one-time in FY2023 and \$5.8 million ongoing beginning in FY2024; earmarks decrease of \$1.6 million one-time in FY2023 and \$1.9 million ongoing beginning in FY2024.

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	\$(11,455,000)	\$(189,007,000)	\$(171,448,000)

Local Government

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

Enactment of this legislation could reduce local government sales tax revenues by approximately \$3.2 million in FY2023 and \$3.8 million in FY2024.

Individuals & Businesses

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

Enactment of this legislation could result in an average individual income tax liability decrease of 2.4% and an average corporate income tax liability decrease of 2.2%. Additionally, enactment of the personal property exemption in this bill could result in a statewide tax shift of approximately \$5.2 million. This could represent an average tax shift to a \$350,000 home of \$3.10. This could represent an average tax shift to a \$1,000,000 business with little to no eligible supply personal property of \$16.10. It could represent an average savings to business with eligible supply property of up to \$56.87 per \$5,000 of exempt supply personal property. Enactment of the two sales tax exemptions in this bill could reduce individual and business tax liability by approximately \$9.7 million in FY2023 and \$11.5 million in FY2024.

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.