



**Fiscal Note**  
**S.B. 121 4th Sub. (Pumpkin)**  
 2023 General Session  
 Car-sharing Amendments  
 by McKell, M. (McKell, Michael.)



**General, Income Tax, and Uniform School Funds**

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(1,210,700)	\$124,400	\$(1,086,300)

**State Government**

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

Revenues	FY 2023	FY 2024	FY 2025
General Fund	\$0	\$(1,125,000)	\$(1,125,000)
General Fund, One-time	\$0	\$150,000	\$0
Marda Dillree Corridor Preservation Fund	\$(1,700,000)	\$0	\$0
Restricted Accounts (FN Only)	\$0	\$(325,000)	\$(375,000)
<b>Total Revenues</b>	<b>\$(1,700,000)</b>	<b>\$(1,300,000)</b>	<b>\$(1,500,000)</b>

Enactment of this legislation could reduce state tax revenues to the Marda Dillree Corridor Preservation Fund by approximately \$1.7 million in FY 2023 due to an exclusion of car sharing from the state tax on short term rentals from January 1, 2019, to July 1, 2023. Enactment of this legislation could reduce state sales tax revenue to the General Fund and state sales tax earmarks by an estimated \$1,300,000 one-time in FY 2024 (of which \$975,000 is General Fund and \$325,000 is earmarks) and \$1,500,000 ongoing beginning in FY 2025 (of which \$1,125,000 is General Fund and \$375,000 is earmarks) due to removal of car sharing from the state sales tax base.

Expenditures	FY 2023	FY 2024	FY 2025
General Fund	\$0	\$85,700	\$85,700
General Fund, One-time	\$24,600	\$1,000	\$0
<b>Total Expenditures</b>	<b>\$24,600</b>	<b>\$86,700</b>	<b>\$85,700</b>

Enactment of this legislation could cost the Tax Commission \$24,600 one-time in FY 2023 from the General Fund to update the State's tax systems, forms, instructions, training, and processes. Enactment of this legislation could cost the Tax Commission \$1,000 one-time in FY 2024 and \$85,700 ongoing beginning in FY 2024 for one FTE to verify sales tax payments for vehicles used in car sharing.

	FY 2023	FY 2024	FY 2025
<b>Net All Funds</b>	<b>\$(1,724,600)</b>	<b>\$(1,386,700)</b>	<b>\$(1,585,700)</b>

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**Local Government**

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

Enactment of this legislation could reduce short term rental tax revenues to local governments by \$3.8 million in FY 2023 due to exclusion of car sharing from the local tax on short term rentals of motor vehicles from January 1, 2019 until July 1, 2023.

**Individuals & Businesses**

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

Enactment of this legislation could reduce aggregate short term rental taxes paid by those participating in car sharing by an estimated \$5,500,000 in FY 2023 due to an exclusion from the tax from January 1, 2019 until July 1, 2023. Enactment of this legislation could reduce aggregate state sales taxes paid by participants in car sharing by \$1,300,000 one-time in FY 2024 and \$1,500,000 ongoing beginning in FY 2025 due to exclusion of car sharing from the state sales tax base.

**Regulatory Impact**

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

Enactment of this legislation could result in a small reduction in 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.