



Fiscal Note
S.B. 164
2023 General Session
Food Tax Amendments
by Escamilla, L.



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(29,000,000)	\$5,000,000	\$(24,000,000)

State Government

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

Revenues	FY 2023	FY 2024	FY 2025
General Fund	\$0	\$(29,000,000)	\$(29,000,000)
General Fund, One-time	\$0	\$5,000,000	\$0
Restricted Accounts (FN Only)	\$0	\$(10,000,000)	\$(12,000,000)
Total Revenues	\$0	\$(34,000,000)	\$(41,000,000)

Enactment of this bill could reduce state sales tax revenues to the General Fund by approximately \$24 million in FY 2024 and \$29 million ongoing beginning in FY 2025 and could also reduce revenue to sales tax earmarks by \$10 million in FY 2024 and \$12 million ongoing beginning in FY 2025.

Expenditures	FY 2023	FY 2024	FY 2025
Total Expenditures	\$0	\$0	\$0

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

	FY 2023	FY 2024	FY 2025
Net All Funds	\$0	\$(34,000,000)	\$(41,000,000)

Local Government

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

Enactment of this bill could reduce local option sales tax revenues by approximately \$24 million in FY 2024 and \$29 million in FY 2025.

Individuals & Businesses

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

Enactment of this bill could reduce sales tax liability on WIC-eligible items for taxpayers that are not participating in WIC. Under this bill, a household that is not participating in WIC that spends \$1,200 annually on WIC-eligible food would see tax savings of approximately \$60 per year. In total, it is estimated that this bill would decrease sales tax liability for taxpayers by approximately \$58 million in FY 2024 and \$70 million in FY 2025. Impacts will vary by household depending on the amount of expenditures on WIC-eligible food.

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.