



Fiscal Note
S.B. 187 3rd Sub. (Ivory)
 2023 General Session
 State Fair Park Amendments
 by Sandall, S. (Sandall, Scott.)



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$0	\$0	\$0

State Government

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

Revenues	FY 2023	FY 2024	FY 2025
Dedicated Credits Revenue	\$0	\$(6,138,400)	\$(6,138,400)
Total Revenues	\$0	\$(6,138,400)	\$(6,138,400)

Enactment of this legislation could decrease Dedicated Credit revenue to the Department of Agriculture and Food by \$6,138,400 which would instead be accrued to the newly created State Fair Park Authority, an independent political subdivision of the state. Additionally, this bill provides that bonds issued by State Fair Park Authority are exempt from state taxes. This could forgo revenues to the Income Tax Fund to the extent that interest and income from the bonds would otherwise be taxable, and to the extent investors in these bonds would otherwise have invested in taxable securities.

Expenditures	FY 2023	FY 2024	FY 2025
Dedicated Credits Revenue	\$0	\$(6,138,400)	\$(6,138,400)
Total Expenditures	\$0	\$(6,138,400)	\$(6,138,400)

Enactment of this legislation would reduce expenditures from Dedicated Credits for the Department of Agriculture and Food's Utah State Fair Corporation line item by \$6,138,400.

	FY 2023	FY 2024	FY 2025
Net All Funds	\$0	\$0	\$0

Local Government

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

This legislation allows the State Fair Park Authority to retain sales tax revenues for qualified hotels within the fairpark property, except for transient room tax and half of the one-percent local option sales tax (though there are not currently any qualified hotels on the fairpark property to generate sales or transient tax revenue). The bill also authorizes the authority to impose a Fair Park Special Event Tax of up to 1.5%, should the authority choose to impose this tax, future revenues to the authority would increase by up to \$15,000 for every \$1,000,000 in taxable sales. Enactment would also allow the State Fair Park Authority to collect revenues from privilege tax and property tax on personal property. (It is unclear if concessions are exempt.) This bill also allows the Authority to retain sales tax generated by a qualified hotel on fairpark property (of which, there are currently no qualified hotels).

Individuals & Businesses

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

Businesses that are currently exempt from privilege tax for operating at the state fair park will now be subject to privilege tax. It is unclear which businesses may still be exempt as concessions. This bill also authorizes the authority to impose a Fair Park Special Event Tax of up to 1.5%, should the authority choose to impose this tax, future revenues to the authority would increase by up to \$15,000 for every \$1,000,000 in taxable sales.

Regulatory Impact

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

Enactment of this legislation could result in a small increase 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.