



Revised Fiscal Note
H.B. 124 2nd Sub. (Gray)
 2024 General Session
 Energy Infrastructure Amendments
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General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(2,612,000)	\$35,000	\$(2,577,000)

State Government

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

Revenues	FY 2024	FY 2025	FY 2026
Income Tax Fund	\$0	\$(2,613,000)	\$(2,613,000)
Income Tax Fund, One-time	\$0	\$35,000	\$0
Total Revenues	\$0	\$(2,578,000)	\$(2,613,000)

Enactment of this legislation could result in reduced revenue to the Income Tax Fund by estimated \$2,578,000 one-time in FY 2025 and \$2,613,000 ongoing in FY 2026 resulting from additional High Cost Infrastructure Development Tax Credits for locomotive engine replacement projects. Enactment could also result in foregone revenue to the Income Tax Fund for up to 20 years following the claim of additional tax credits due to the expanded eligibility for the High Cost Infrastructure Development Tax Credit. Forgone revenue could be at least \$3.0 million and up to approximately \$113.0 million per project. The aggregate amount is unknown.

Expenditures	FY 2024	FY 2025	FY 2026
General Fund	\$0	\$(1,000)	\$(1,000)
Total Expenditures	\$0	\$(1,000)	\$(1,000)

Enactment of this legislation could reduce per diem expenditures for the Office of Energy Development by \$1,000 starting in FY 2025 from having two fewer members on the Utah Energy Infrastructure Board.

	FY 2024	FY 2025	FY 2026
Net All Funds	\$0	\$(2,577,000)	\$(2,612,000)

Local Government

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

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Individuals & Businesses

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

Enactment of this legislation could result in reduced liability to credit claimants of estimated total of \$2,578,000 one-time in FY 2025 and \$2,613,000 ongoing in FY 2026 resulting from additional High Cost Infrastructure Development Tax Credits for locomotive engine replacement projects. Enactment could also result in reduced tax liability for credit claimants of at least \$3.0 million and up to approximately \$113.0 million per project, up to 20 years due to the expanded eligibility for the High Cost Infrastructure Development Tax Credit. The aggregate impact is unknown.

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.