



Fiscal Note
H.B. 512 1st Sub. (Buff)

2024 General Session
 Minimum Basic Tax Rate Reduction
 by Brooks, W. (Brooks, Walt.)



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(102,872,700)	\$0	\$(102,872,700)

State Government

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

Revenues	FY 2024	FY 2025	FY 2026
Local Revenue	\$0	\$(75,000,000)	\$(75,000,000)
Restricted Accounts (FN Only)	\$0	\$(27,872,700)	\$(27,872,700)
Total Revenues	\$0	\$(102,872,700)	\$(102,872,700)

Enactment of this bill lowers anticipated local revenue collections from the statewide basic rate by \$75.0 million and a transfer of \$27.9 million to the Teacher and Student Success Restricted Account associated with the WPU Value Rate changes included in the bill.

Expenditures	FY 2024	FY 2025	FY 2026
Uniform School Fund	\$0	\$102,872,700	\$102,872,700
Total Expenditures	\$0	\$102,872,700	\$102,872,700

Enactment of this legislation may cost the State Board of Education \$102,872,700 ongoing beginning in FY 2025 from the Uniform School Fund to replace reduced property tax revenues supporting education programs outlined in the bill.

	FY 2024	FY 2025	FY 2026
Net All Funds	\$0	\$(205,745,400)	\$(205,745,400)

Local Government

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

Enactment of this bill lowers the statewide basic property tax levy by \$75.0 million ongoing and stops a \$27.9 million increase in the WPU Value Rate (a component of the Basic Rate) from going into effect due to the WPU Value increase provided in H.B. 1, Public Education Base Budget Amendments (2024 General Session). In total, an estimated \$102,872,700 in local property tax revenues will not be collected by school districts as estimated for FY 2025.

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Individuals & Businesses

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

Utah taxpayers may see lower property tax payments as a result of this bill. With the total estimated reduction of \$102.9 million included in this bill, a home owner of a primary residence valued at \$400,000 may see a savings of \$42.00 and the owner of a business valued at \$1.0 million may see a savings of \$190.00.

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.