



Fiscal Note
H.B. 557

2024 General Session
Income Tax Deduction Amendments
by Lyman, P.



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(42,205,700)	\$12,955,500	\$(29,250,200)

State Government

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

Revenues	FY 2024	FY 2025	FY 2026
Income Tax Fund	\$0	\$(42,000,000)	\$(42,000,000)
Income Tax Fund, One-time	\$0	\$13,000,000	\$7,000,000
Total Revenues	\$0	\$(29,000,000)	\$(35,000,000)

Enactment of this legislation could result in accelerating depreciation deductions for qualified property on income tax returns beginning in FY 2025; this is estimated to result in reduced Income Tax Fund revenue of approximately \$29,000,000 in FY 2025 and \$35,000,000 in FY 2026.

Expenditures	FY 2024	FY 2025	FY 2026
Income Tax Fund	\$0	\$205,700	\$205,700
Income Tax Fund, One-time	\$44,500	\$0	\$0
Total Expenditures	\$44,500	\$205,700	\$205,700

Enactment of this legislation could increase costs to the Tax Commission by \$44,500 one-time from the Income Tax Fund in FY 2024 for initial system enhancements and program implementation and by \$205,700 ongoing from the Income Tax Fund beginning in FY 2025 for additional staffing to support program administration.

	FY 2024	FY 2025	FY 2026
Net All Funds	\$(44,500)	\$(29,205,700)	\$(35,205,700)

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 businesses and individuals shifting the timing of depreciation deductions for qualified property on income tax returns beginning in FY 2025, resulting in relatively reduced tax liability in the year when depreciation is claimed.

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.