

Compendium of Budget Information for the 2014 General Session

Business, Economic Development, and Labor Appropriations Subcommittee

Agency: Tax Commission

Function

The primary function of the State Tax Commission is the collection of revenue for state and local governments and administering tax and motor vehicle laws. The Tax Commission handles revenue from about 40 taxes, surcharges, and fees; registers automobiles, regulates the automobile dealer industry, and provides direction and support to the local property tax process.

Mission Statement

The mission of the Tax Commission is to collect revenue for the state and local governments and to equitably administer tax and assigned motor vehicle laws.

Statutory Authority

The Utah Constitution, Article XIII, Section 6, Paragraph 3 details that the State Tax Commission shall administer and supervise the State's tax laws, ensure that properties are assessed and valued equally across county lines, review proposed bond issues, revise local tax levies, and have other powers as provided by statute. Most of the broad authority granted the Tax Commission in the Constitution is detailed in Utah Annotated Code Title 59, Chapters 1 through 27, and Utah Annotated Code Title 41.

- Property Tax (59-2)
- Severance Taxes (59-5)
- Mineral Production Tax (59-6)
- Corporate Income Tax (59-11)
- Gross Receipts Tax (59-8)
- Insurance Premium Tax (59-9)
- Income Tax (59-10)
- Inheritance Tax (59-11)
- Sales Tax (59-12)
- Motor and Special Fuel Taxes (59-13)
- Cigarette and Tobacco Taxes (59-14)
- Beer, Wine, and Liquor Taxes (59-15)
- Mineral Lease (59-21)
- Brine Shrimp Tax (59-23)

- Radioactive Waste and Hazardous Waste Tax (59-24 and 59-25)
- Multi-Channel Video and Audio Services Tax (59-26)
- Sexually Explicit Business and Escort Service Tax (59-27)

Special Funds

The Tax Commission draws funding from four restricted accounts, which are:

Tax Commission Administrative Charge Account. Consists of a percentage of revenues collected by the commission from each qualifying tax, fee, or charge. The total percentage remitted to the account is the lesser of either 1.5% of these administrative charges, or a percentage sufficient to cover the costs of administering the qualifying taxes, fees, or charges. Please refer to UAC 59-1-306.

Uninsured Motorist Identification Account. Consists of a \$1 uninsured motorist identification charge included in each motor vehicle registration fee collected by the commission; when an application has been submitted for such, a \$100 registration reinstatement fee for each vehicle with a previously revoked registration; appropriations made by the Legislature; and interest earned on account funds. For further detail, please refer to UAC 41-12a-806.

Tobacco Settlement Restricted Account. Consists of a statutory appropriation of \$18,500 for ongoing enforcement of business compliance with the Tobacco Tax Settlement Agreement. For further detail, please refer to UAC 51-9-201.

Electronic Payment Fee Account. Consists of fees collected on the purchases or renewals of various licenses, registrations, permits, license plates, etc. For further detail about specific licenses, registrations, permits, etc. that the commission is statutorily allowed to charge an electronic payment fee for, please refer to UAC 41-1a-121.

Funding Detail

Major sources of finance for the Tax Commission are the General Fund and Education Fund. The Commission also draws funding from Dedicated Credits, Restricted Revenues, and the Transportation Fund.

The Tax Commission is authorized funding from the Education Fund due to its role in collecting income and corporate taxes. The commission is also authorized funding from the Transportation Fund due to its function in collecting taxes for motor fuel, special fuel, motor vehicle registration fees, and other revenue sources that transmit to the fund.

Table 1: Operating and Capital Budget Including Expendable Funds and Accounts

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
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General Fund	\$24,302,500	\$25,212,300	\$0	\$25,212,300	\$954,500	\$26,166,800
General Fund, One-time	\$900	\$0	\$64,400	\$64,400	\$67,200	\$131,600
Uniform School Fund	\$0	\$0	\$0	\$0	\$0	\$0
Uniform School Fund, One-time	\$0	\$0	\$0	\$0	\$0	\$0
Education Fund	\$19,219,600	\$19,884,400	\$0	\$19,884,400	\$586,700	\$20,471,100
Education Fund, One-time	\$0	\$0	\$48,100	\$48,100	\$49,200	\$97,300
Transportation Fund	\$5,857,400	\$5,857,400	\$0	\$5,857,400	\$0	\$5,857,400
Federal Funds	\$484,600	\$534,300	\$24,600	\$558,900	(\$21,800)	\$537,100
Dedicated Credits Revenue	\$10,999,500	\$10,598,500	\$391,200	\$10,989,700	\$284,000	\$11,273,700
GFR - Alc Bev Enf and Treatment	\$5,118,400	\$5,463,800	\$0	\$5,463,800	(\$77,400)	\$5,386,400
GFR - Electronic Payment Fee Restricted Account	\$5,759,700	\$5,759,700	\$0	\$5,759,700	\$0	\$5,759,700
GFR - Rural Healthcare Facilities	\$555,000	\$555,000	\$0	\$555,000	\$0	\$555,000
GFR - Sales and Use Tax Admin Fees	\$0	\$0	\$0	\$0	\$0	\$0
GFR - Tax Commission Administrative Charge	\$9,156,200	\$9,492,300	\$21,300	\$9,513,600	\$286,800	\$9,800,400
GFR - Tobacco Settlement	\$18,500	\$18,500	\$0	\$18,500	\$0	\$18,500
Uninsured Motorist I.D.	\$133,800	\$133,800	\$0	\$133,800	\$0	\$133,800
Transfers	\$128,500	\$0	\$0	\$0	\$0	\$0
Transfers - Commission on Criminal and Juvenile Justice	\$0	\$0	\$0	\$0	\$0	\$0
Transfers - Fed Pass-thru	\$0	\$136,800	\$0	\$136,800	\$0	\$136,800
Beginning Nonlapsing	\$10,402,800	\$7,354,500	\$4,476,300	\$11,830,800	(\$7,569,200)	\$4,261,600
Closing Nonlapsing	(\$11,830,800)	(\$2,561,100)	(\$4,700,500)	(\$7,261,600)	\$4,586,600	(\$2,675,000)
Lapsing Balance	(\$336,200)	(\$1,462,800)	\$1,126,600	(\$336,200)	\$0	(\$336,200)
Total	\$79,970,400	\$86,977,400	\$1,452,000	\$88,429,400	(\$853,400)	\$87,576,000

Line Items	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Tax Administration	\$72,252,200	\$78,950,100	\$1,334,800	\$80,284,900	(\$784,600)	\$79,500,300

License Plates Production	\$2,381,000	\$2,344,700	\$117,200	\$2,461,900	\$8,600	\$2,470,500
Rural Health Care Facilities Distribution	\$218,800	\$218,800	\$0	\$218,800	\$0	\$218,800
Liquor Profit Distribution	\$5,118,400	\$5,463,800	\$0	\$5,463,800	(\$77,400)	\$5,386,400
Total	\$79,970,400	\$86,977,400	\$1,452,000	\$88,429,400	(\$853,400)	\$87,576,000

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$46,291,500	\$49,655,400	\$119,400	\$49,774,800	\$1,438,000	\$51,212,800
In-state Travel	\$185,600	\$298,600	(\$50,200)	\$248,400	(\$25,700)	\$222,700
Out-of-state Travel	\$356,500	\$392,700	\$0	\$392,700	\$0	\$392,700
Current Expense	\$15,952,000	\$16,350,400	\$1,203,700	\$17,554,100	\$218,500	\$17,772,600
DP Current Expense	\$9,639,400	\$11,013,800	\$77,900	\$11,091,700	\$309,300	\$11,401,000
DP Capital Outlay	\$2,208,200	\$3,568,900	\$116,200	\$3,685,100	(\$2,716,100)	\$969,000
Capital Outlay	\$0	\$15,000	(\$15,000)	\$0	\$0	\$0
Other Charges/Pass Thru	\$5,337,200	\$5,682,600	\$0	\$5,682,600	(\$77,400)	\$5,605,200
Total	\$79,970,400	\$86,977,400	\$1,452,000	\$88,429,400	(\$853,400)	\$87,576,000

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	754	748	(9)	739	12	751
Actual FTE	714	0	0	0	0	0
Vehicles	70	69	0	69	0	69

COBI contains unaudited data as presented to the Legislature by state agencies at the time of publication. For audited financial data see the State of Utah's Comprehensive Annual Financial Reports.