



Fiscal Note
H.B. 185

2020 General Session
Tax Restructuring Revisions - Repeal
by Gibson, F.



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$213,735,000	\$70,082,000	\$283,817,000

State Government

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

Revenues	FY 2020	FY 2021	FY 2022
General Fund	\$0	\$(525,150,000)	\$(525,150,000)
General Fund, One-time	\$(54,013,000)	\$26,930,000	\$0
Education Fund	\$0	\$680,535,000	\$680,535,000
Education Fund, One-time	\$138,200,000	\$(41,535,000)	\$0
Transportation Investment Fund of 2005	\$(23,600,000)	\$(34,130,000)	\$(35,700,000)
Local Hwy & Transp Corridor Preservation Fund	\$(700,000)	\$(4,500,000)	\$(4,800,000)
Total Revenues	\$59,887,000	\$102,150,000	\$114,885,000

Enactment of this bill increases net tax revenue by about \$160 million in FY 2021 and \$173 million ongoing beginning in FY 2022 by reversing tax changes contained in Tax Restructuring Revisions (SB2001, 2019 Second Special Session.) . It also eliminates any one-time revenue reductions associated with rebates authorized in SB 2001. Finally, it reverses several earmark changes that would have moved revenue among funds and accounts including the Transportation Investment Fund, the Liquor Control Fund, and the General Fund.

Expenditures	FY 2020	FY 2021	FY 2022
General Fund	\$0	\$(391,026,700)	\$(391,026,700)
General Fund, One-time	\$(500,000)	\$0	\$0
Education Fund	\$0	\$332,676,700	\$332,676,700
Transportation Investment Fund of 2005	\$0	\$(5,000,000)	\$(5,000,000)
Dedicated Credits Revenue	\$0	\$39,275,700	\$39,275,700
Restricted Accounts (FN Only)	\$0	\$1,751,000	\$1,751,000
Total Expenditures	\$(500,000)	\$(22,323,300)	\$(22,323,300)

Enactment of this bill has the effect of reversing all appropriations made in Tax Restructuring Revisions (SB 2001, 2019 Second Special Session).

	<i>FY 2020</i>	<i>FY 2021</i>	<i>FY 2022</i>
Net All Funds	<u>\$60,387,000</u>	<u>\$124,473,300</u>	<u>\$137,208,300</u>

Local Government

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

By eliminating the potential sales tax on some services and reinstating certain sales tax exemptions, this bill forgoes revenue to local governments by \$4.0 million in FY 2020, \$24.4 million in FY 2021, and \$25.4 million in FY 2022.

Individuals & Businesses

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

Enactment of this bill decreases income and sales tax liability on businesses by \$28 million in FY 2021. It increases state and local tax liability for individuals by \$164 million in FY 2021. The average net tax change for a household is a \$152 tax increase in FY 2021.

Regulatory Impact

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

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Note

JR4-2-404

No performance note required for this bill

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.