



Fiscal Note
S.B. 72

2018 General Session
Business Income Tax Modifications
by Harper, W.



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(18,000)	\$1,000	\$(17,000)

State Government

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

Presuming 10% of currently classified manufacturing firms shift to being classified as non-manufacturing firms, enactment of this bill may reduce revenue to the Education Fund by \$17,000 in FY 2019 and \$18,000 in FY 2020. Should 100% of manufacturing firms be classified as non-manufacturing firms, the bill reduces revenue to the Education Fund by up to \$18 million in FY 2020. It is unknown how many will switch.

Revenues	FY 2018	FY 2019	FY 2020
Education Fund	\$0	\$(18,000)	\$(18,000)
Education Fund, One-Time	\$0	\$1,000	\$0
Total Revenues	\$0	\$(17,000)	\$(18,000)

Enactment of this legislation likely will not materially impact state expenditures.

Expenditures	FY 2018	FY 2019	FY 2020
Total Expenditures	\$0	\$0	\$0

Net All Funds	\$0	\$(17,000)	\$(18,000)
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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)(d)

Presuming 10% of currently classified manufacturing firms shift to being classified as non-manufacturing firms, enactment of this bill may reduce the overall tax burden of corporate taxpayers by \$17,000 in FY 2019 and \$18,000 in FY 2020. Should 100% of manufacturing firms be classified as non-manufacturing firms, the bill may reduce corporate manufacturing firms' tax burden by approximately \$20 million. The bill imposes mandatory single sales apportionment for select industries, which increases the tax burden on these firms by \$1.8 million in FY 2019 and \$1.9 million in FY 2020.

Regulatory Impact

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.