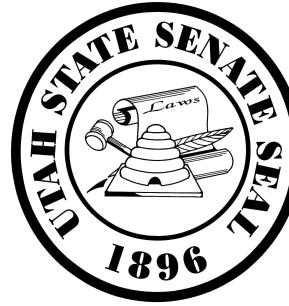




Fiscal Note

H.B. 77

2026 General Session
Tax Modifications
by Eliason, Steve



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$4,000,000	\$0	\$4,000,000

State Government

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

Revenues	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>
Income Tax Fund	\$0	\$4,000,000	\$4,000,000
Total Revenues	\$0	\$4,000,000	\$4,000,000

Enactment of this legislation could increase revenue to the Income Tax Fund by an estimated \$4 million beginning in FY 2027 resulting from changes to the nonrefundable taxpayer tax credit. To the extent that motor vehicles weighing between 12,001 pounds and 14,001 pounds may be rented, enactment of this legislation could increase motor vehicle rental tax revenue to the Marda Dillree Corridor Preservation Fund beginning in FY 2027; the aggregate impact is unknown.

Expenditures	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>
Total Expenditures	\$0	\$0	\$0

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

	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>
Net All Funds	\$0	\$4,000,000	\$4,000,000

Local Government

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

To the extent that a new municipality may be incorporated, enactment of this legislation could result in a temporary shift of local option sales tax revenue from counties to such municipalities; the aggregate impact is unknown. To the extent that motor vehicles weighing between 12,001 pounds and 14,001 pounds may be rented within counties with a motor vehicle rental tax, enactment of this legislation could result in an increase in motor vehicle rental tax revenue to such counties; the aggregate impact is unknown.

Individuals & Businesses

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

Enactment of this legislation could increase state income taxes paid by approximately 13,300 taxpayers with itemized State And Local Tax deductions by an estimated \$4 million in aggregate beginning in FY 2027; individual impacts will vary. To the extent that motor vehicles weighing between 12,001 pounds and 14,001 pounds may be rented, enactment of this legislation could result in increased state and local motor vehicle rental taxes paid by businesses and individuals; the aggregate impact is unknown.

Regulatory Impact

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

Enactment of this legislation could result in a small increase in 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 explanations 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 explanation is not an appropriation. The Legislature decides appropriations separately.