



**Fiscal Note**

**H.B. 235**

2026 General Session  
Income Tax Revisions  
by Christofferson, Kay J.



**General, Income Tax, and Uniform School Funds**

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(101,000,000)	\$(23,303,900)	\$(124,303,900)

**State Government**

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

Revenues	FY 2026	FY 2027	FY 2028
Income Tax Fund	\$0	\$(101,000,000)	\$(101,000,000)
Income Tax Fund, One-time	\$(1,300,000)	\$(22,000,000)	\$0
<b>Total Revenues</b>	<b>\$(1,300,000)</b>	<b>\$(123,000,000)</b>	<b>\$(101,000,000)</b>

Enactment of this legislation could reduce Income Tax Fund revenue by an estimated \$1,300,000 in FY 2026, \$123,000,000 in FY 2027, and \$101,000,000 in FY 2028, resulting from the lower income tax rate.

Expenditures	FY 2026	FY 2027	FY 2028
Income Tax Fund, One-time	\$0	\$3,900	\$0
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$3,900</b>	<b>\$0</b>

Enactment of this legislation could cost the Tax Commission an estimated \$3,900 one-time from the Income Tax Fund in FY 2027 to implement changes to the State's tax systems, forms, instruction, training and processes.

	FY 2026	FY 2027	FY 2028
<b>Net All Funds</b>	<b>\$(1,300,000)</b>	<b>\$(123,003,900)</b>	<b>\$(101,000,000)</b>

**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 reduce income taxes for individuals and businesses by an estimated \$1,300,000 in FY 2026, \$123,000,000 in FY 2027, and \$101,000,000 in FY 2028 in aggregate resulting from the lower income tax rate; individual impacts will vary.

**Regulatory Impact**

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

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

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.