



Fiscal Note
1st Sub. H.B. 337 (Buff)
 2026 General Session
 Nicotine Product Tax Amendments
 by Clancy, Tyler



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$45,200,000	\$3,226,700	\$48,426,700

State Government

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

Revenues	FY 2026	FY 2027	FY 2028
Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account (GFR)	\$0	\$22,000,000	\$22,000,000
Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account (GFR), One-time	\$0	\$(6,325,000)	\$0
General Fund	\$0	\$45,200,000	\$45,200,000
General Fund, One-time	\$0	\$3,250,000	\$0
Total Revenues	\$0	\$64,125,000	\$67,200,000

Enactment of this legislation is estimated to increase revenues to the General Fund by \$48,450,000 in FY 2027 and \$45,200,000 in FY 2028. It is also estimated to increase revenues to the Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account by \$15,675,000 in FY 2027 and \$22,000,000 in FY 2028.

Expenditures	FY 2026	FY 2027	FY 2028
Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account (GFR)	\$0	\$2,000,000	\$2,000,000
General Fund, One-time	\$15,500	\$7,800	\$0
Total Expenditures	\$15,500	\$2,007,800	\$2,000,000

Enactment of this legislation could cost the Tax Commission \$15,500 one-time in FY 2026 and \$7,800 one-time in FY 2027 from the General Fund for system development and testing. Enactment of this legislation could also increase expenditures for the Department of Public Safety by \$2.0 million ongoing beginning in FY 2027 from the Electronic Cigarette Substance and Nicotine Proceeds Restricted Account to fund additional law enforcement positions.

	FY 2026	FY 2027	FY 2028
Net All Funds	\$(15,500)	\$62,117,200	\$65,200,000

Local Government

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

Enactment could result in \$2 million of ongoing revenue beginning in FY 2027 to the law enforcement agency of a city that is the seat of government for a county of the first class.

Individuals & Businesses

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

Enactment of this legislation could increase taxes paid by individuals on certain tobacco products (cigarettes, little cigars, alternative nicotine products, and moist snuff) by \$64,125,000 in FY 2027 and \$67,200,000 in FY 2028.

Regulatory Impact

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

Enactment of this legislation likely will not change 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.