



Fiscal Note
3rd Sub. H.B. 337 (Cherry)
 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.)	\$24,400,000	\$2,601,700	\$27,001,700

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	\$12,400,000	\$12,400,000
Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account (GFR), One-time	\$0	\$(3,550,000)	\$0
General Fund	\$0	\$24,400,000	\$24,400,000
General Fund, One-time	\$0	\$2,625,000	\$0
Total Revenues	\$0	\$35,875,000	\$36,800,000

Enactment of this legislation is estimated to increase revenues to the General Fund by \$27,025,000 in FY 2027 and \$24,400,000 in FY 2028. It is also estimated to increase revenues to the Electronic Cigarette Substance and Nicotine Product Proceeds Restricted Account by \$8,850,000 in FY 2027 and \$12,400,000 in FY 2028.

Expenditures	FY 2026	FY 2027	FY 2028
General Fund, One-time	\$15,500	\$7,800	\$0
Total Expenditures	\$15,500	\$7,800	\$0

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.

	FY 2026	FY 2027	FY 2028
Net All Funds	\$(15,500)	\$35,867,200	\$36,800,000

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 increase taxes paid by individuals on certain tobacco products (cigarettes, little cigars, moist snuff, e-cigarettes, alternative nicotine products, and nontherapeutic nicotine products) by \$35,875,000 in FY 2027 and \$36,800,000 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.