



## Fiscal Note

### H.B. 449

2026 General Session  
 Utah Taxpayer Oversight of Government  
 Spending Amendments  
 by Auxier, Tiara



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

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(443,100)	\$(771,600)	\$(1,214,700)

#### State Government

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

Revenues	FY 2026	FY 2027	FY 2028
Transportation Fund	\$0	\$59,300,000	\$59,300,000
Transportation Fund, One-time	\$0	\$(31,600,000)	\$0
Restricted Accounts (FN Only)	\$0	\$460,000	\$460,000
Restricted Accounts (FN Only), One-time	\$0	\$(240,000)	\$0
Dedicated Credits Revenue	\$0	\$313,600	\$313,600
Total Revenues	\$0	\$28,233,600	\$60,073,600

Enactment of this bill freezes the motor and diesel fuel tax rate at the CY 2026 level of 37.9 cents per gallon. Under current law, the rate is forecasted to drop to 34.0 cents per gallon in CY 2027, so freezing the rate would result in a half-year FY 2027 increase of 3.9 cents per gallon, for a statewide FY 2027 revenue increase of \$30.7 million. The gas tax is expected to moderate to 34.9 cents per gallon in CY 2027, resulting in a FY 2028 full-year increase of \$68.1 million to state tax revenues (primarily to the Transportation Fund).

Enactment of this legislation could also freeze the automatic CPI adjustments for certain registration fees. Assuming registration fees remain at 2026 levels starting in CY 2027, it is estimated that this would decrease state revenues to the Transportation Fund from registration fees by approximately \$2.8 million in FY 2027 and \$8.3 million in FY 2028 relative to the forecasted increases.

To the extent that other fees administered by the Tax Commission that utilize automatic adjustments are impacted, there would be further revenue losses. Aggregate amounts are unknown. Enactment of this legislation could also limit revenue to the Tax Commission administrative fee by an unknown amount.

Enactment of this legislation could increase Dedicated Credit revenue to the Attorney General's Office by \$313,600 annually beginning in FY 2027.

Expenditures	FY 2026	FY 2027	FY 2028
Dedicated Credits Revenue	\$0	\$313,600	\$313,600
General Fund	\$0	\$443,100	\$443,100
General Fund, One-time	\$0	\$620,400	\$0

Income Tax Fund, One-time	\$0	\$151,200	\$0
Total Expenditures	\$0	\$1,528,300	\$756,700

Enactment of this legislation could cost the Tax Commission \$750,000 one-time in FY 2027 from General/Income Tax Funds for programming and system development. Enactment of this legislation could also cost the Tax Commission \$313,600 ongoing from the General Fund to pay for legal support via the Attorney General's Office. Enactment of this legislation could cost the Attorney General \$313,600 in Dedicated Credits billed to the Tax Commission for legal support. Enactment of this legislation could also cost the State Auditor \$124,500 ongoing and \$21,600 one-time from the General Fund beginning in FY 2027 to administer the new budget process. Costs to the Governor's Office could increase by \$5,000 ongoing from the General Fund to support changes to spending limit calculations and by an unknown amount to administer additional voter information requirements. Enactment of this legislation could also cost the state an unknown amount to potentially calculate and process refunds.

	FY 2026	FY 2027	FY 2028
<b>Net All Funds</b>	<b>\$0</b>	<b>\$26,705,300</b>	<b>\$59,316,900</b>

### ***Local Government***

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

To the extent that voters reject tax increase proposals, or the factors in the spending limit in this legislation are different than other economic factors, local revenue and spending could slow by an unknown amount. Enactment of this legislation could also cost local governments an unknown amount to provide voter information and calculate and process refunds.

### ***Individuals & Businesses***

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

Individuals and businesses will be subject to a tax shift with the elimination of tax on personal property. Tax liability will shift away from businesses with personal property on to real property owners (including businesses with personal property and residences). This total statewide shift would be approximately \$30 million and would increase the average entity property tax rate by 0.000572 which may increase taxes per year on a \$500,000 primary residence per taxing entity by \$157.24 and \$571.78 per taxing entity on a \$1 million business.

Beginning in CY 2027, enactment of this legislation freezes the motor and diesel fuel tax rate at the CY 2026 level of 37.9 cents per gallon. Under current law, the rate is forecasted to drop to 34.0 cents per gallon in CY 2027 and 34.9 cents per gallon in CY 2028. As a result, this freeze could increase the fuel tax paid by taxpayers by 3.9 cents per gallon in CY 2027 and 3.0 cents per gallon in CY 2028. In total, taxpayers are estimated to pay an additional \$30.7 million in FY 2027 and \$68.1 million in FY 2028.

Enactment of this bill could also freeze the automatic CPI adjustments for registration fees. Assuming registration fees remain at 2026 levels starting in CY 2027, it is estimated that the total amount paid by vehicle owners would decrease by approximately \$2.8 million in FY 2027 and \$8.3 million in FY 2028 relative to the forecasted increases.

### ***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.