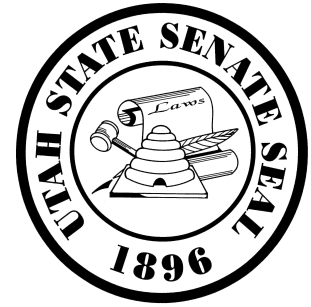




Fiscal Note
H.B. 575

2026 General Session
Fuel Tax and Supply Amendments
by Roberts, Calvin



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$ (16,300)	\$ (3,900)	\$ (20,200)

State Government

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

Revenues	FY 2026	FY 2027	FY 2028
Transportation Investment Fund of 2005, One-time	\$0	\$14,000,000	\$0
Transportation Fund, One-time	\$0	\$(39,679,700)	\$0
Off-highway Vehicle (GFR), One-time	\$0	\$(200,000)	\$0
Boating (GFR), One-time	\$0	\$(200,000)	\$0
Transit Transportation Investment Fund, One-time	\$0	\$(14,000,000)	\$0
Total Revenues	\$0	\$(40,079,700)	\$0

Enactment of this legislation could decrease revenue to the Transportation Fund by \$39,679,700 one-time in FY 2027 due to the decreased motor fuel tax rate. It could decrease revenue to the restricted Off-Highway Vehicle account and Boat Fuel account by \$200,000 each one-time in FY 2027. The bill would also result in a shift of \$14 million in sales tax deposits from the Transit Transportation Investment Fund to the Transportation Investment Fund of 2005 one-time in FY 2027.

Enactment of this legislation expands the high-cost infrastructure development tax credit by modifying the definition of 'energy delivery project' to include development of a pipeline and related infrastructure for transmission of refined hydrocarbons for storage in a solution-mined subsurface salt cavern. The expanded credit could forgo future Income Tax Fund or General Fund revenue of up to \$5 million for every \$10 million spent on infrastructure construction for these specific projects.

Expenditures	FY 2026	FY 2027	FY 2028
Transportation Fund, One-time	\$0	\$(11,903,900)	\$0
General Fund	\$0	\$16,300	\$16,300
General Fund, One-time	\$0	\$3,900	\$0
Total Expenditures	\$0	\$(11,883,700)	\$16,300

Enactment of this legislation could decrease the Department of Transportation's expenditures for the B & C Roads program from the Transportation Fund by \$11,903,900 one-time in FY 2027.

Enactment of this legislation could also increase the Department of Natural Resources expenditures from the General Fund by \$16,300 ongoing beginning in FY 2027 to compile all refinery data. DNR has indicated it can absorb these costs.

This bill could cost the Tax Commission's \$3,900 one-time from the General Fund in FY 2027 for system updates.

	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>
Net All Funds	<u>\$0</u>	<u>\$(28,196,000)</u>	<u>\$(16,300)</u>

Local Government

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

Enactment of this legislation could decrease the B & C Road allocation to local governments by \$11,903,900 one-time in FY 2027 from decreased fuel tax revenue.

Individuals & Businesses

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

Enactment of this legislation could decrease gas taxes paid by businesses and individuals by \$39,679,700 in aggregate one-time in FY 2027 due to the decreased motor fuel tax rate.

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.