



Fiscal Note
1st Sub. H.B. 587 (Buff)
 2026 General Session
 Income Tax Amendments
 by Eliason, Steve



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$31,344,700	\$14,876,800	\$46,221,500

State Government

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

Revenues	FY 2026	FY 2027	FY 2028
Income Tax Fund	\$0	\$(57,000,000)	\$(57,000,000)
Income Tax Fund, One-time	\$14,800,000	\$0	\$0
Total Revenues	\$14,800,000	\$(57,000,000)	\$(57,000,000)

Enactment of this legislation is estimated to increase Income Tax Fund revenues by \$14.6 million in FY 2026. It is estimated to decrease Income Tax Fund revenues by \$57.0 million in FY 2027; \$57.0 million in FY 2028; \$77.0 million in FY 2029; \$97.0 million in FY 2030; and \$114.0 million in FY 2031.

Expenditures	FY 2026	FY 2027	FY 2028
Income Tax Fund	\$0	\$(88,344,700)	\$(88,344,700)
Income Tax Fund, One-time	\$0	\$(76,800)	\$2,000
Total Expenditures	\$0	\$(88,421,500)	\$(88,342,700)

Enactment of this legislation could cost the Tax Commission \$40,300 one-time in FY 2027 and \$2,000 one-time in FY 2028 from the Income Tax Fund for system updates. Enactment of this legislation could also cost the Tax Commission \$117,100 ongoing beginning in FY 2028 for staff time to review and audit compliance. This bill also reduces ongoing appropriations to the Higher Education Capital Projects Fund by (\$75,851,500) and the Technical Colleges Capital Projects Fund by (\$12,610,300) both from the Income Tax Fund in FY 2027.

	FY 2026	FY 2027	FY 2028
Net All Funds	\$14,800,000	\$31,421,500	\$31,342,700

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 in net, is projected to increase individual and business income tax liability by \$14.6 million in FY 2026 and decrease income tax liability by \$57.0 million in FY 2027; \$57.0 million in FY 2028; \$77.0 million in FY 2029; \$97.0 million in FY 2030; and \$114.0 million in FY 2031.

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.