



Fiscal Note
1st Sub. S.B. 97 (Green)
 2026 General Session
 Tax Revenue Amendments
 by McCay, Daniel



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(130,200)	\$(10,500)	\$(140,700)

State Government

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

Revenues	FY 2026	FY 2027	FY 2028
Total Revenues	\$0	\$0	\$0

Enactment of this legislation likely will not materially impact state revenue.

Expenditures	FY 2026	FY 2027	FY 2028
Income Tax Fund	\$0	\$130,200	\$130,200
Income Tax Fund, One-time	\$0	\$10,500	\$0
Total Expenditures	\$0	\$140,700	\$130,200

Enactment of this legislation could cost the Tax Commission an estimated \$7,800 one-time from the Income Tax Fund in FY 2027 for programming changes and updates to related instructions, forms, and processes; enactment of this legislation could also cost the Tax Commission an estimated \$2,700 one-time in FY 2027 from the Income Tax Fund and \$130,200 ongoing from the Income Tax Fund beginning in FY 2027 for an additional compliance and review FTE.

	FY 2026	FY 2027	FY 2028
Net All Funds	\$0	\$(140,700)	\$(130,200)

Local Government

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

Enactment of this legislation could reduce property tax revenue to project area taxing entities by approximately \$17,870,000 ongoing in aggregate beginning in FY 2027; impacts to individual entities will vary. Enactment of this legislation could also result in forgone property tax revenue to local taxing entities which are not school districts which receive state guarantee funding to the extent that such entities would otherwise increase revenue in excess of 5% year over year; the aggregate impact is unknown. To the extent that certain property improvements may no longer be considered as new growth, enactment of this legislation could reduce property tax revenue to local taxing entities; the aggregate impact is unknown. To the extent that a taxing entity earns or realizes interest on investments, enactment of this legislation would exclude such revenue from the calculation of the certified tax rate and result in a lower revenue target than it would otherwise have; the aggregate impact is unknown.

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Individuals & Businesses

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

Enactment of this legislation could reduce property taxes paid by businesses and individuals within project area taxing entities by approximately \$17,870,000 ongoing in aggregate beginning in FY 2027. A homeowner with property worth \$500,000 may see an average reduction of approximately \$9 per year, and a business owner of a property worth \$1 million may see an average reduction of \$34 per year; individual impacts will vary. Enactment of this legislation could also result in forgone property taxes paid by businesses and individuals to the extent that taxing entities would otherwise increase revenue in excess of 5% year over year; the aggregate impact is unknown. To the extent that certain property improvements may no longer be considered as new growth, enactment of this legislation could reduce property taxes paid by businesses and individuals; the aggregate impact is unknown. To the extent that a taxing entity has a lower revenue target due to the exclusion of interest on investment income, enactment of this legislation could reduce property taxes paid by businesses and individuals; the aggregate impact is unknown. To the extent that properties currently eligible for the primary residential exemption may become ineligible, enactment of this legislation may shift property tax burden within taxing entities between commercial and residential property owners; impacts to individuals and businesses may vary.

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.