Fiscal Note
2nd Sub. S.B. 97 (Salmon)
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.)	$0	$(7,800)	$(7,800)

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, One-time	$0	$7,800	$0
Total Expenditures	$0	$7,800	$0

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.

	FY 2026	*FY 2027*	*FY 2028*
Net All Funds	$0	$(7,800)	$0

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. 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.

2026/03/03 08:50, Lead Analyst: Travis Eisenbacher, Attorney: Harb, G.

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 reduce the primary residential exemption for owners of tenant-occupied property beginning in FY 2027, increasing total taxable values and decreasing tax rates, in aggregate, and resulting in a relative shift in property tax burden onto owners of tenant-occupied property; statewide, this is estimated to result in an average reduction of approximately $21 per year for a homeowner with a property worth $500,000 and approximately $75 per year for a business owner with a property worth $1 million, though individual impacts will vary. 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 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.