

**Fiscal Note****S.B. 101**

2026 General Session

Specialized Product Amendments

by Vickers, Evan J.

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

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(102,000)	\$113,000	\$11,000

State Government

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

Revenues	FY 2026	FY 2027	FY 2028
Transportation Investment Fund of 2005	\$0	\$88,000	\$88,000
Transportation Investment Fund of 2005, One-time	\$0	\$(52,000)	\$0
Restricted Accounts (FN Only)	\$0	\$24,000	\$24,000
Restricted Accounts (FN Only), One-time	\$0	\$(14,000)	\$0
Cannabinoid Proceeds Restricted Account (GFR)	\$0	\$117,700	\$117,700
Cannabinoid Proceeds Restricted Account (GFR), One-time	\$0	\$(58,900)	\$0
Dedicated Credits Revenue	\$0	\$195,000	\$195,000
Dedicated Credits Revenue, One-time	\$0	\$(97,500)	\$0
General Fund	\$0	\$(102,000)	\$(102,000)
General Fund, One-time	\$0	\$113,000	\$0
Total Revenues	\$0	\$213,300	\$322,700

Enactment of this legislation could increase dedicated credits revenue to the Department of Agriculture and Food by an estimated \$97,500 in FY 2027 and \$195,000 beginning in FY 2028 resulting from registration fees. Enactment of this legislation could increase revenue to the Cannabinoid Proceeds Restricted Account by an estimated \$58,800 in FY 2027 and \$117,700 beginning in FY 2028 resulting from license fees and specialized product tax. Enactment of this legislation could impact state sales tax revenue resulting from the repeal of the cannabinoid product exemption as follows: to the General Fund, \$11,000 in FY 2027 and -\$102,000 beginning in FY 2028; to the Transportation Investment Fund of 2005, \$36,000 in FY 2027 and \$88,000 beginning in FY 2028; to all other restricted account earmarks, \$10,000 in FY 2027 and \$24,000 beginning in FY 2028.

Expenditures	FY 2026	FY 2027	FY 2028

State Tax Commission	\$0	\$38,800	\$0
Administrative Charge Account (GFR), One-time			
Cannabinoid Proceeds Restricted Account (GFR)	\$0	\$97,700	\$97,700
Cannabinoid Proceeds Restricted Account (GFR), One-time	\$0	\$(48,900)	\$0
Dedicated Credits Revenue	\$0	\$195,000	\$195,000
Dedicated Credits Revenue, One-time	\$0	\$(97,500)	\$0
Total Expenditures	\$0	\$185,100	\$292,700

Enactment of this legislation could cost the Tax Commission \$38,800 one-time from the State Tax Commission Administrative Charge Account in FY 2027 for implementing changes to the State's tax systems, forms, instructions, training and processes. Enactment of this legislation could also cost the Department of Agriculture and Food an estimated \$48,800 one-time in FY 2027 and \$97,700 ongoing starting in FY 2028 from the Cannabinoid Proceeds Restricted Account and an estimated \$97,500 one-time in FY 2027 and \$195,000 ongoing starting in FY 2028 from Dedicated Credits Revenue for 2 full-time equivalent employees to support administration and enforcement duties of the specialized products division.

	FY 2026	FY 2027	FY 2028
Net All Funds	\$0	\$28,200	\$30,000

Local Government

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

Enactment of this legislation could increase sales tax revenue to local governments by an estimated \$72,000 in FY 2027 and \$173,000 beginning in FY 2028, in aggregate, resulting from the repeal of the cannabinoid product exemption.

Individuals & Businesses

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

Enactment of this legislation could increase registration fees for cannabinoid products paid by businesses and individuals by an estimated \$195,000 annually beginning in FY 2027 until FY 2029. Enactment of this legislation could also increase sales taxes paid on cannabinoid products by businesses and individuals by an estimated \$208,000 in FY 2027 and \$502,000 beginning in FY 2028. Enactment of this legislation could also increase specialized product taxes on kratom products paid by businesses and individuals by an estimated \$48,800 in FY 2027 and \$97,700 beginning in FY 2028. Enactment of this legislation could also increase specialized product license fees paid by business and individuals by an estimated \$10,000 in FY 2027 and \$20,000 beginning in FY 2028. Individual impacts will 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.