



Fiscal Note
1st Sub. S.B. 190 (Green)
 2026 General Session
 Trailer Registration Amendments
 by Brammer, Brady



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$0	\$(46,500)	\$(46,500)

State Government

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

Revenues	FY 2026	FY 2027	FY 2028
Transportation Investment Fund of 2005	\$0	\$(1,077,000)	\$(1,077,000)
Transportation Investment Fund of 2005, One-time	\$0	\$2,017,000	\$2,680,000
Transportation Fund	\$0	\$(1,617,000)	\$(1,617,000)
Transportation Fund, One-time	\$0	\$2,514,000	\$3,107,000
Rural Transportation Infrastructure Fund	\$0	\$(212,000)	\$(212,000)
Rural Transportation Infrastructure Fund, One-time	\$0	\$406,000	\$543,000
Total Revenues	\$0	\$2,031,000	\$3,424,000

Enactment of this legislation could increase state tax revenues from lifetime registration fees on trailers by approximately \$2,251,000 in FY 2027 and \$3,780,000 in FY 2028. As lifetime registrations decrease the number of annual registrations over time, it is estimated that this bill could decrease state tax revenues by approximately \$3,000,000 ongoing in FY 2035 when the bill is in full effect. Impacts will be to the Rural Transportation Infrastructure Fund, Transportation Investment Fund, and Transportation Fund.

Enactment of this legislation could decrease state tax revenues from discontinuing lifetime registration fees on certain commercial trailers by approximately \$220,000 in FY 2027 and \$356,000 in FY 2028. However, as new annual registrations increase over time as lifetime registrations are discontinued, it is estimated this bill could increase state tax revenues by approximately \$94,000 ongoing in FY 2031 when this portion of the bill is in full effect. Impacts will be to the Rural Transportation Infrastructure Fund, Transportation Investment Fund, and Transportation Fund.

Expenditures	FY 2026	FY 2027	FY 2028
General Fund, One-time	\$0	\$46,500	\$0
Total Expenditures	\$0	\$46,500	\$0

Enactment of this legislation could cost the Tax Commission \$46,500 one-time from the General Fund in FY 2027 for system upgrades.

1st Sub. S.B. 190 (Green)

	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>
Net All Funds	<u>\$0</u>	<u>\$1,984,500</u>	<u>\$3,424,000</u>

Local Government

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

Enactment of this legislation could increase local government tax revenues from lifetime age-based/uniform fees on eligible trailers by approximately \$3,727,000 in FY 2027 and \$6,238,000 in FY 2028. As lifetime registrations decrease the number of annual registrations over time, it is estimated that this bill will decrease age-based/uniform fees by approximately \$4,969,000 ongoing in FY 2035 when the bill is in full effect.

Enactment of this legislation could decrease local government tax revenues from discontinuing lifetime age-based/uniform fees on certain commercial trailers by approximately \$66,000 in FY 2027 and increase tax revenues by \$56,000 in FY 2028. As new annual registrations increase over time as lifetime registrations are discontinued, it is estimated this bill could increase local tax revenues by approximately \$1,810,000 ongoing in FY 2031 when this provision of the bill is in full effect.

Individuals & Businesses

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

Enactment of this legislation allows owners of eligible trailers to obtain lifetime registration and pay a one-time uniform fee in lieu of ad valorem tax and forego having to pay future registration and ad valorem fees. Registration fees on eligible trailers under current code are \$49.50, and the one-time registration fees in this bill could be \$198. Annual uniform fee on eligible property currently averages \$82, and the one-time uniform fee in this bill averages \$328. Owners who choose to pay the one-time registration and uniform fees will pay more in a single year, but may save money over time if they own eligible property for at least 4 years. Impacts will vary by owner, with only owners who anticipate savings choosing the one-time registration and uniform fees. In total, it is estimated that owners of eligible property will pay approximately \$5,978,000 more in FY 2027 and \$10,018,000 more in FY 2028; however, they could pay \$7,969,000 less ongoing when the bill is in full effect in FY 2035.

Enactment of this legislation discontinues owners of certain commercial trailers to obtain lifetime registration and pay a one-time uniform fee in lieu of ad valorem tax and forego having to pay future registration and ad valorem fees. One-time registration fees on certain commercial trailers under current code are estimated to be \$179, and the annual registration fees in this bill could be about \$50. The one-time uniform fee on certain commercial trailers averages \$150, and the annual uniform fee in this bill could average \$111. In total, it is estimated that owners of certain commercial trailers will pay approximately \$286,000 less in FY 2027 and \$300,000 less in FY 2028; however, they could pay \$1,904,000 more ongoing when this provision in the bill is in full effect 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.