



Fiscal Note
H.B. 176 1st Sub. (Buff)
 2019 General Session
 Vehicle Property Tax Amendments
 by Thurston, N. (Thurston, Norman.)



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$0	\$0

State Government

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

Revenues	FY 2019	FY 2020	FY 2021
Total Revenues	\$0	\$0	\$0

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

Expenditures	FY 2019	FY 2020	FY 2021
Total Expenditures	\$0	\$0	\$0

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

Net All Funds	FY 2019	FY 2020	FY 2021
	\$0	\$0	\$0

Local Government

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

Enactment of this bill could reduce local government revenues from the uniform fee in lieu of ad valorem tax. Providing that the uniform fee in lieu of ad valorem tax may only be collected once per vehicle per year or twice per year for 6-month registrations is estimated to reduce local revenues from this fee by approximately \$4.8 million beginning in CY 2020. The legislation also provides an exemption from truth in taxation which could mitigate the loss by raising the property tax rate on other properties. Should all taxing entities increase rates to offset the reduction in revenue, it is estimated that average property tax rates could increase on a \$250,000 primary residential home by about \$2.26 and on \$1,000,000 in business property by about \$16.43.

Individuals & Businesses

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

Enactment of this legislation is estimated to save approximately 89,000 vehicle owners an average of \$54 each or approximately \$4.8 million in aggregate beginning in CY 2020. The legislation also provides an exemption from truth in taxation which could result in raising the property tax rate on other properties.

Regulatory Impact

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

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Note

JR4-2-404

No performance note required for this bill

Notes on Notes

Fiscal notes 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 note is not an appropriation. The Legislature decides appropriations separately.