



**Fiscal Note**  
**H.B. 115**

2026 General Session  
Motor Vehicle Sales Tax Amendments  
by Peterson, Thomas W.



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

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$ (22,600,000)	\$ 2,592,200	\$ (20,007,800)

**State Government**

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

Revenues	FY 2026	FY 2027	FY 2028
Transportation Investment Fund of 2005	\$0	\$ (9,164,000)	\$ (9,164,000)
Transportation Investment Fund of 2005, One-time	\$0	\$ 1,027,000	\$0
Restricted Accounts (FN Only)	\$0	\$ (2,436,000)	\$ (2,436,000)
Restricted Accounts (FN Only), One-time	\$0	\$ 273,000	\$0
General Fund	\$0	\$ (22,600,000)	\$ (22,600,000)
General Fund, One-time	\$0	\$ 2,600,000	\$0
<b>Total Revenues</b>	<b>\$0</b>	<b>\$ (30,300,000)</b>	<b>\$ (34,200,000)</b>

Enactment of the sales tax exemption in this legislation is estimated to reduce state sales tax revenues to the General Fund and earmarks by approximately \$30.3 million in FY 2027 and \$34.2 million annually thereafter.

Expenditures	FY 2026	FY 2027	FY 2028
General Fund, One-time	\$7,800	\$0	\$0
<b>Total Expenditures</b>	<b>\$7,800</b>	<b>\$0</b>	<b>\$0</b>

Enactment of this legislation could cost the Tax Commission \$7,800 one-time from the General Fund in FY 2026 for programming and system testing.

	FY 2026	FY 2027	FY 2028
<b>Net All Funds</b>	<b>\$ (7,800)</b>	<b>\$ (30,300,000)</b>	<b>\$ (34,200,000)</b>

**Local Government**

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

Enactment of the sales tax exemption in this legislation is estimated to reduce local sales tax revenues by approximately \$15.9 million in FY 2027 and \$18.0 million annually thereafter.

**Individuals & Businesses**

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

Enactment of the sales tax exemption in this legislation is estimated to reduce sales tax liability for purchasers of eligible vehicles by approximately \$46.2 million in FY 2027 and \$52.2 million annually thereafter.

**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.