



THE UTAH TAXPAYER

A PUBLICATION OF THE UTAH TAXPAYERS ASSOCIATION

Utah Taxpayers Association Wins Income Tax Cuts for Families, Seniors & Veterans and Cuts in Business Personal Property Taxes; Releases 2021 Legislative Scorecard

The Utah Legislature enacted positive changes and Association priorities in the 2021 General Session, including tax cuts for senior citizens (HB 86), military retirees (SB 11), and families (SB 153), as well as assisting small businesses tax burden and liability (SB 18). Your Taxpayers Association also won a major joint rule change to enable revenue growth set-asides in December for tax cuts in the following legislative session.

HB 86 delivers a social security tax cut to Utah's senior citizens, which raises the amount of income that is exempt from tax from \$35,000 for joint filers to \$50,000. This delivers an \$18 million state income tax cut to those that are receiving those benefits.

SB 11 will eliminate state income tax on military retirement benefits in Utah. Utah will join 46 other states that do not tax those benefits as many retirees from the various branches of the military settle into retirement after completing their service to our country. Senate Bill 11 delivers a \$24 million tax cut.

SB 153 further restores the state tax exemption for dependents that was lost in the 2017 federal tax reform bill. That loss created a state income tax hike on Utah taxpayers with dependents. SB 153 raises that exemption from \$565 per dependent to \$1,750. This will provide a tax cut of \$54 million to taxpayers with dependents.

The Association also advocated for a broader income tax rate reduction, but the Legislature decided the upcoming year was not the appropriate time to do it. Your Taxpayers Association will continue to push for tax cuts during the interim and heading into the 2022 Session.

The Legislature also helped eliminate the burdensome personal property tax for thousands of small businesses, a much needed relief following the economic turmoil for many businesses in the past year (SB 18). This policy will carry forward even after a post-COVID-19 economic recovery.

SB 18 is a major victory for taxpayers across the state. The bill raises the amount of property that is exempt from the personal property tax from the current \$15,000 level to \$25,000. The beauty of this tax cut is found in the details of who really pays the majority of this tax. While thousands of small businesses deal with the annual nightmare of counting their tables, chairs, computer terminals and knives and forks to pay a very small amount

of tax, the vast majority of tax is paid by the very large property taxpayers. That is massive relief, not only from the burden of paying the tax, but also the burden of doing the inventory of items every year and being subject to pesky audits that often mean no meaningful change in the tax that is owed.

HJR 11 changes a rule regarding the long-standing requirement that before tax cutting legislation could be passed, the revenue loss had to be 'funded.' The change establishes a process for the Executive Appropriations Committee to set aside revenue in anticipation of tax cut legislation in the coming session. If this had always been in place, taxpayers may have avoided a 23 year delay in passing the 3-year life sales tax exemption and other tax cuts that might have been enacted earlier.

The Legislature failed to pass **SB 95**, which would have provided a relief from sales taxes on business inputs used in the development of software, passed the Senate unanimously, but never received a vote in the House. In the past, the Legislature has been very supportive of the policy of eliminating sales taxes on business inputs, but has not provided this benefit to software development for the past two years this policy has been written into legislation.

The Legislature also did not pass **SB 52**, which would have set a standard process for deferring property taxes for lower-income elderly. It would allow eligible homeowners to defer, or hold off paying property taxes until a title transfer. At that point, the taxes would be due with interest. All taxing entities, under a deferral, are held harmless and would still be able to collect the revenue. Interestingly, the Senate passed this bill unanimously, but the House rejected it following the counties' objections. The counties, unfortunately, used misinformation to make it appear that this deferred revenue would never be collected.

Some bills the Legislature passed will directly harm taxpayers. **SB 104** creates a separate levy for animal control services provided by a county. In Davis County for example, the cities pay the county from their general funds to provide animal control services. The county complained that sometimes they were not getting paid and had to take money from their own general funds to cover the needs of the department. By separating out the levy, the county can collect specifically for this purpose, and the cities are forced to lower their overall levies to ensure it is not an automatic windfall on the backs of taxpayers. Of course, this doesn't stop cities from raising their property tax rates automatically the next year, arguing that they're simply "bringing it back to where it was". We will be speaking out strongly if any city tries to dupe their taxpayers with this unreasonable argument in 2022.

Annual Legislative Scorecard

The Utah Taxpayers Association annually releases a legislative scorecard ranking Utah's legislators by their votes on the most important tax-related bills considered during the most recent legislative session. Out of 66 bills the Utah Taxpayers Association tracked during the 2021 session, 14 tax-related bills were used in rating Utah's 104 legislators. The average score in the Senate is 74.2%, a drop from 79.3% the year before. The House average this year is 64.8%, a significant departure from 74% in 2020. These averages for both bodies have not been this low in more than five years. In the House, several bills included in this year's Scorecard divided the body, which heavily contributes to the drop in the average. These splits are not rare, but definitely uncommon.

SB 132, which would have exempted sales tax for construction materials for child care centers, was split 34 - 34. This tie led to the bill not passing. **SB 104**, which creates a new property tax levy for animal control, passed with a vote of 38 - 34.

HB 209, a high priority for the Association, was also controversial among representatives. The bill would have increased fees for alternate fuel vehicles over the course of several years. The Taxpayers Association believes this is appropriate policy, to ensure those that use the roads are more equitably contributing to the maintenance of the infrastructure. That bill failed 27 – 44.

In the Senate, nine of the 13 bills we scored were unanimous, making only four bills in which only at least one member voted no. These four bills did not evenly divide the Senate, with votes with the Association adding up to between 7%, which is two votes, (HB 348) and 28%, which is 8 votes (HB 140).

Following our calculations on the 14 bills we used to finalize the Association’s Legislative Scorecard, only two legislators, both from the House, scored 100% this year.

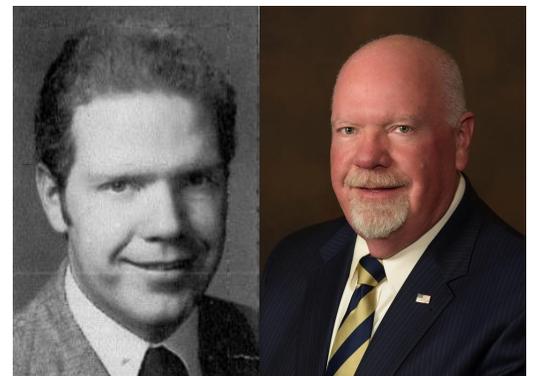
Rep. Norm Thurston and Rep. Walt Brooks were the highest scorers in the House, both with 100%. Sen. Lincoln Fillmore was the highest percentage with the Utah Taxpayers Association in the Senate, at 92.3%.

Eight legislators will be receiving the “Friend of the Taxpayer” award, with those voting more than 90% of the time with the Taxpayers position. Those are Senators Lincoln Fillmore, Dan McCay and Jake Anderegg. Five members of the House won the award. Those are Representatives Norm Thurston, Walt Brooks, Steve Christiansen, Jeff Moss, and Travis Seegmiller. Congratulations and thank you to these legislators for so strongly working to protect taxpayers! They will be receiving their awards at our 2021 Taxes Now Conference, being held on Thursday, May 13th.

[See how your legislators ranked.](#)

My Corner: Retiring After 44 Years

My interest in government efficiency and taxpayer advocacy began when as a 13 year old I watched multiple TV airings of Ronald Reagan’s “A Time for Choosing.” This was a fundraising speech for presidential candidate Barry Goldwater just prior to the 1964 general election. I was fixated by Reagan’s inspiring message of keeping government off our backs and out of our pockets. I wanted to have a part in that effort and began planning my education to prepare for it.



Hooked on Politics and Public Policy

I gave a lot of attention to politics and elections, staying up late on election night watching the results trickle in on the family’s small black and white television. I worked hard in high school to ensure a GPA and ACT score that would qualify me for admission to a good university. I took college prep classes such as Trigonometry by correspondence course since our school didn’t have anyone to teach it. I graduated high school in a class of 22 students. Following my return from an LDS mission to England I immediately enrolled at BYU and qualified for a four year Air Force ROTC pilot scholarship. At graduation I was commissioned as a 2nd Lieutenant but not assigned to active duty because the Vietnam War had ended and the Air Force was unsure of what to do with a large pipeline of pilots. So I enrolled in graduate school at BYU seeking a Masters Degree in Public Administration, “so I would know how the enemy thinks.”

My First & Only Job Out of College

In March of 1977 there appeared a hand-scrawled note on the MPA office bulletin board saying the Utah Taxpayers Association was seeking to hire a research analyst (the first hire in 14 years and we wouldn't hire again for another 14 years). Even though several of my fellow graduates applied for the position, I felt it was not a coincidence that this job came available at this time for me.

Following interviews, I was tentatively chosen for the job. Jack Olson took me to lunch at the Alta Club to meet and be interviewed by the officers of the Association. I had never eaten at such a fancy place so this was very intimidating for a country boy from Fredonia, AZ. I wasn't sure which forks or spoons to use when, but I guess I didn't embarrass myself too badly.

I got the job and began work on April 1, 1977 with my own desk in my own room in the Taxpayers Association 210 Kearns Building HQ. I immediately was put to work on evaluating the costs of burial at Salt Lake's cemeteries. My report was published for Memorial Day and I remember KSL's Bob Shildmeyer doing a phone interview for radio news. Even though I was well-prepared, I remember how nervous I was and how much I was sweating during that first interview.

Riding the Local Budget Circuit

Jack Olson took me on the week-long School District Budget circuit, stopping at each of the 40 school districts to get their tentative budget proposals so we could sound the alarm if they were unnecessarily increasing property taxes. This was tedious work in my motel room each night summarizing the proposals in three columns showing previous, current and proposed budget years and manually calculating the percentage increase of each line item. I then had to type up the proposals which we mailed to our members. Some budgets were penciled on the back of random pieces of paper rather than the format required by the fiscal procedures acts for cities, counties, school districts and special taxing districts established in state law. Many times the budgets didn't tally, so I had to call the district officials and find out where the error was. They often thanked me for catching the mistakes. Today all of this is available error-free on electronic spreadsheets and taxing entities gladly email them to the association office for our review.

In November we did a similar week-long circuit trip to pick up the budgets of Utah's 29 counties. I was impressed over the years with how open these school and county officials were with the work of the Association and how much most of them welcomed our input. I remember Sam Taylor of Grand County telling me how much he appreciated Jack Olson advising the county to make a small tax hike which he said enabled them to avoid a much larger tax hike later on.

Bringing Tax Rates in Line with Budgets

Armed with my MPA government finance training my biggest surprise was to find that local property tax rates bore little direct relation to budgeted property tax revenues; the rates were nearly always significantly higher than needed to meet budgets and elected officials decided to keep rates high even when values were also escalating.

Consequently, one of my first experiences in changing Utah taxes and budgets was to lobby for legislation to ensure property tax rates were directly tied to budgeted revenues in a duly adopted budget. My first inclination was to give the State Auditor the responsibility to ensure that tax rates related to budgeted revenue, but fortunately, the bill was amended to give the responsibility of enforcement to the Tax Commission's Property Tax Division.

Preventing Runaway Property Taxes

The nation experienced runaway inflation in the late 70s which was accompanied by rapidly rising property values. At the same time, county assessors obtained improved computerized processes to keep assessed values current with market values. This gave locally elected officials outrageous increases in property tax receipts without raising tax rates. Utah taxpayers felt the sting of rising property taxes and revolted, demanding the legislature put the brakes on local property taxes. The legislature responded with a new law limiting annual property taxes of all local taxing entities to 106% of the previous year. Unfortunately, the ceiling became the floor with most taxing entities taking the 6% increase every year.

In light of tax protests, the Utah State Tax Commission, Counties, and legislators all agreed with your Taxpayers Association that we needed a solution to runaway property taxes. So in 1985 your Taxpayers Association was instrumental in winning passage of the now famous Truth-in-Taxation property tax law. The measure requires the 'certified tax rate' to produce no more than the property tax revenues as the year before plus new growth.

Nationally, Utah property taxes compared to total personal income were 24th highest. Today we rank 39th.

Becoming President of the Association

When Jack Olson retired in April of 1990 I was named President of the Association. I made a personal goal of improving tax and spending practices to make Utah the best economy in the U.S. to ensure that families could not just survive, but thrive. When we hired Vice President Howard Headlee he agreed with that goal and worked to limit taxes and spending at all levels of state and local government. He was a champion of defending Utah's Truth-in-Taxation law against technicalities raised by local taxing entities.

Winning a Senate Seat

As a result of the 1990 Census and reapportionment, I found myself in a senate district without an incumbent. Fortunately the Taxpayers Association gave me permission to run for the seat. After winning the election, Howard Headlee became the chief legislative lobbyist for the association and we hired Greg Fredde as research director.

Removing Sales Taxes from Business Inputs

The first legislative measure in our goal to make Utah's economy first in the nation, we sponsored a measure to eliminate sales taxes on manufacturing machinery and equipment. We assumed everyone would naturally understand the wisdom of removing taxes on business inputs, so we were surprised when the business community didn't get behind the bill and in fact the Utah Manufacturers Association initially opposed the measure. So we had an uphill battle, but as Senate sponsor, I was able to get the bill out of the Senate. Headlee and Fredde educated House members on why it is economically counterproductive to tax business inputs. They even got support from House Democrats who saw the bill as good for jobs. The bill was expected to pass easily. Unfortunately, on the final night of the 1994 session Governor Michael Leavitt pressured by the UEA teachers union convinced House leadership to send the bill back to rules, effectively killing it. The following year Leavitt worked hard to get the exemption passed because Micron was looking to locate a huge manufacturing plant in Nebraska or Utah and he wanted Utah to win. Over the following years we worked to eliminate sales taxes on business inputs of other types of businesses which together with low property taxes, our educated workforce, relatively low unemployment insurance rates, workers compensation taxes, and lower power rates have made Utah one of the most attractive places to do business.

Tax Court, Trial de Novo, Intangibles

When Howard Headlee left to head the Utah Bankers Association in 1997, Greg Fredde became VP and led the Association's lobbying efforts to win passage of a total revamp of Utah's tax appeal process including Utah

Tax Court and Trial de Novo, allowing new evidence to be considered by the court. Fredde also helped win major victories against county assessors and the Tax Commission's Property Tax Division in their effort to impose property taxes on intangibles such as good-will, going concern, patents, and trademarks.

Protecting TnT, Passing Paycheck Protection, Limiting UTOPIA

In 2001 Greg Fredde left to become president of the Utah Mining Association and former research analyst Wes Quinton replaced him as VP. Quinton worked successfully to defeat a legislative proposal to exempt the statewide basic school property tax from the limits of Truth-in-Taxation. This would have imposed annual property tax hikes. Your Association was also able to get Paycheck Protection finally passed which eliminated the ability of public employee and teacher unions to use the taxpayer funded payroll system to collect their PAC contributions. The Association was also able to limit the expansion of Utah's Soviet-style government owned broadband system known as UTOPIA.

Defeating Tax Hikes, Limiting Special Election Dates

Mike Jerman replaced Quinton when he left in 2002 to work for the Utah Farm Bureau. With Jerman's assistance, the Association defeated tax hikes in the wake of the 9-11 world wide recession when the state faced a \$256 million revenue shortfall. When the Tax Commission miscalculated certified tax rates, he discovered the errors and fought to make sure that property taxpayers statewide avoided what would have been a tax hike. During Jerman's tenure the Association helped to defeat a statewide sales tax initiative for open space and to limit special tax elections to the days of the Primary and General Election.

Cutting Income Taxes for Families & Businesses

Besides eliminating sales taxes on business inputs, your Taxpayers Association has worked to cut state individual and business income taxes arguing that income taxes are a deterrent to economic growth. With the support of Governor Jon M. Huntsman the legislature cut the income tax rate from 7% to 5% and reduced taxes for multi-state business by double-weighting the sales factor for allocation of business income.

Defeating Unreasonable Tax Increment Financing & Lavish Bond Proposals

Royce Van Tassell took the VP position when Mike Jerman left in 2007 to join Congressman Jason Chaffetz's staff in Washington, D.C. Royce helped defeat unreasonable RDA tax increment financing schemes including a proposal to give tens of millions in property taxes for the rebuild of the Cottonwood Mall.

After helping to defeat two Salt Lake City public safety building bonds your Taxpayers Association worked with Mayor Ralph Becker to place a reasonable proposal on the ballot. When the Association endorsed the agreed proposal, the news headline read, "Hell has frozen over."

The Association also defeated Jordan School District's \$500 million "Taj Mahal" school bond. After the Association worked with the district, two years later voters approved a bond of just half that size.

Royce Van Tassell was instrumental in exposing the continuing follies of UTOPIA municipal broadband and convincing city leaders to avoid joining the failed project which took the sales taxes of the eleven member cities which should have been preserved for general fund purposes.

Eliminating Ratcheting of Property Tax Rates

Billy Hesterman was hired to replace Royce when he left to head the Utah Association of Public Charter Schools in 2013. Billy helped negotiate legislation to prevent local taxing entities from receiving automatic and undeserved tax hikes. These tax hikes had occurred because of a glitch in the calculation of the certified tax

rates in counties with cyclical changes in the values of centrally assessed taxpayers. This has prevented many millions in higher taxes over the years.

Protecting Anonymous Political Speech

Your Taxpayers Association also won a lawsuit challenging the constitutionality of a state law requiring non-profits to disclose their donors if the organization takes positions on ballot issues or candidates. The law was subsequently amended to require disclosure if non-profits were spending a majority of their funds on ballot issues or candidates.

Single Sales Factor, Full Sales Tax Exemption for Business Inputs

The Association in the 2018 General Session of the Legislature – my final session as a state senator – won passage of legislation providing single sales factor for apportionment of multi-state business profits to Utah. This makes Utah very competitive in attracting jobs and capital to the Beehive State. We also won passage of legislation to fully exempt from sales taxes business machinery and parts with a life of less than three years while fully exempting materials consumed in the manufacturing or mining process. This three year life exemption was the most difficult tax reform of my career, taking 23 years to win because of a legislative rule that funding had to be secured before taxes could be cut – the ultimate oxymoron. Passage was only made possible when we made ‘funding’ of the three year life exemption contingent on the eventual overturning of the Wayfair decision which prevented states from collecting sales taxes from out of state sellers. Serendipitously, the U.S. Supreme Court decided just three months later to overturn Wayfair.

Preparing the Association for the Future

Rusty Cannon became VP when Billy Hesterman left to join the government affairs team at the law firm of Holland & Hart in October 2018. While the Association was proud to have provided talented former VPs to head Utah’s leading nonprofits and government affairs teams, they wanted to make sure Rusty was prepared to take over upon my retirement. Having three legislative sessions under his belt, Rusty, together with Research Director Spencer Nitz and Operations Director Autumn Skousen are well prepared to take the Utah Taxpayers Association to the next level of success.

Significant Successes in Just the Past Three Years

During the past three years your Taxpayers Association team was successful in reducing the income tax rate to 4.95%, restoring the dependent exemption which was inadvertently eliminated through the Trump tax cuts, exempting certain Social Security income and military retirement income from Utah income taxes, expanding the sales tax exemption on business inputs, protecting Truth-in-Taxation, expanding the personal property exemption for small business to \$25,000 (allowing over 50% of businesses to avoid this cumbersome tax), protection when property tax assessments increase over 15% in a single year while shifting the burden of proof to the tax assessor instead of the taxpayer, and supporting a constitutional amendment to expand the permissible uses of the income tax to include expenditures for childrens’ health and people with disabilities.

Another huge victory just this year was HJR 11 (J Moss), which Rusty Cannon proposed as a solution to the age old oxymoronic requirement of finding money before tax cutting legislation could be passed. Under this rule change, the Executive Appropriations Committee in their December meeting before each January General Session would consider how much revenue growth would be taken off the table to be reserved for tax cuts. This could be a game changer going forward.

These are just a few of the successes resulting from your support of the Utah Taxpayers Association, now in its 99th year. We have also tightened statutory requirements to ensure that Utah has the most qualified Tax

Commission in the nation, unlike too many other states where inexperienced partisans are appointed to the position as political favors.

The Association has its work cut out for it and cannot rest on its laurels as we work for completion of the sales tax exemption on software and oil and gas exploration and production and pipelines, finishing the work of school property tax equalization, ensuring adequate funding of highways through expansion of the Road Use Charge program, and reducing abusive uses of tax increment financing, among others.

Gratitude to Association Members, Board, and Staff

I would be remiss if I did not recognize the immense contribution to the success of the Association from the financial support of members, uncompensated guidance of our board and officers and the dedicated hard working staff we have had over my 44 years at the Taxpayers Association. I'm grateful too for the many wonderful state and local elected officials who have been willing to listen, give feedback and find constructive compromises.

Looking Back

Having set that goal years ago to make Utah the best economy in the nation for the benefit of families and individuals, multiple current metrics now reflect our success and the success of the many leaders and organizations that have joined in achieving this distinction. Perhaps the most steady indicator of this achievement is the Rich States Poor States annual economic analysis by economist Art Laffer, et al, which has ranked Utah with the best economic outlook for all 13 years it has been published.

I said earlier that my inspiration to become a taxpayer advocate came from Ronald Reagan. As I leave my position in leading this wonderful organization it is clear that Utah truly has become a shining city on a hill. I echo the final words of President Ronald Reagan in his farewell address, "Not bad, not bad at all."



Cannon's Canon: Advancing Clean Energy in a Pro-Growth, Taxpayer-Friendly Way

Recently, some clean energy groups and even some legislators have framed your Taxpayers Association's backing of certain 2021 legislation as opposition to clean energy. As a reminder, we strongly advocated for House Bill 209 in the 2021 Legislative session. HB 209 would have ensured electric and hybrid vehicles are paying their fair share for using the roads in comparison to traditional-fueled vehicles. In reality, your Taxpayers Association fully supports developing Utah's clean energy capabilities and technologies, but wants to make sure we are doing so in a way that does not place an irresponsible cost or burden on Utah families and taxpayers.

We fully understand the importance of electric, hybrid, and alternate-fueled vehicles to improving Utah's air quality. We also understand the vital role that clean energy and carbon reduction efforts can play in creating well-paying local jobs, supporting Utah businesses and industries, and literally powering a stronger economy. Most importantly, we understand the power of the free market.

That is why we need our Utah delegation in Washington—including Senator Mitt Romney, Senator Mike Lee, and Congressmen Curtis, Stewart, Owens and Moore—to work together in order to pass market-based, bipartisan energy solutions that will drive new infrastructure investments across the state and throughout the country in order to address climate issues and advance clean energy in a pro-growth, taxpayer-friendly way.

One such example of bipartisan policy that would help improve air quality by reducing emissions using a market-based approach is the Growing Climate Solutions Act. As I highlighted last year, the Growing Climate Solutions Act would empower Utah's farming community to incorporate climate-friendly, carbon-reducing agriculture practices and techniques by opening up access to existing carbon credit markets. While this bill did not pass last year, it is set to be re-introduced in Congress soon. Our Utah delegation should join the bipartisan group of legislators backing this effort.

The Growing Climate Solutions Act would direct the U.S. Department of Agriculture to develop and run a certification program to help farmers adopt climate-friendly techniques, such as carbon sequestration. While critically important to reducing pollution and improving air quality, these techniques can also help enhance soil quality, providing additional benefits for farmers. This program would also help connect farmers to credible, third-party organizations looking to purchase credits to offset their own carbon footprint.

The voluntary approach taken by the Growing Climate Solutions Act enables us to continue lowering emissions while providing extra financial stability for farmers, ranchers, foresters, and other agricultural producers whose lives and livelihoods have been severely impacted by the ongoing coronavirus pandemic. Moreover, it helps advance important climate and clean energy goals in a way that will not impact Utah taxpayers.

These are the kinds of thoughtful, free market solutions that Congress needs to be advancing in order to ensure clean energy efforts are helping to power economic growth, create 21st century jobs, and ease the burden on taxpayers, instead of massive tax increases. While it is critically important for Congress to pass the Growing Climate Solutions Act, they should not stop there. Lawmakers need to make a concerted effort to only pass bipartisan policies that invest in American and Utah infrastructure and clean energy only using the same market-based approach.

Your Taxpayers Association will continue to support and advocate for solutions that help Utah achieve cleaner air, water, and lands in a way that drives innovation, supports local residents and businesses, and advances economic growth in all sectors of our economy—all without relying on taxpayer-funded mechanisms and subsidies or tax hikes.

Ultimately, there is no reason we cannot advance clean energy while also ensuring vital taxpayer protections.

Taxpayers Association Asks U.S. Treasury Secretary for Guidance on New Federal Law's Effect on State Tax Cuts

The Utah Taxpayers Association and 16 other state taxpayer associations [sent a letter](#) to U.S. Treasury Secretary Janet Yellen on March 17 asking for guidelines to clarify provisions of the American Rescue Plan Act – the federal COVID-relief law that includes a provision restricting tax reductions by states that accept relief funds.

HR 1319, signed by President Joe Biden on March 11, provides approximately \$350 billion to state and local governments to mitigate the economic impact of the pandemic. Section 602(c)(2)(A) restricts states from using the funds “to either directly or indirectly offset a reduction in the net tax revenue of such State or territory resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax (by providing for a reduction in a rate, a rebate, a deduction, a credit, or otherwise) or delays the imposition of any tax or tax increase.”

The language in the law is an assault on state sovereignty. The State of Ohio has already sued the Treasury to enjoin the mandate. As stated by Chief Justice Roberts in *NFIB v. Sebelius* (2012), Congress can't use "economic dragoning that leaves the states with no real option but to acquiesce."

We agree with the Editorial Board of the Wall Street Journal that said some in Congress, "want to take credit for their spending blowout as the pandemic recedes, even as they protect their state counterparts from economic competition from small-government states. That's an affront to representative government and a classic distortion of the constitutional structure that cries out for judicial review."

Association Examines 28 Taxes and Fees in Brand New Booklet, Fast Tax

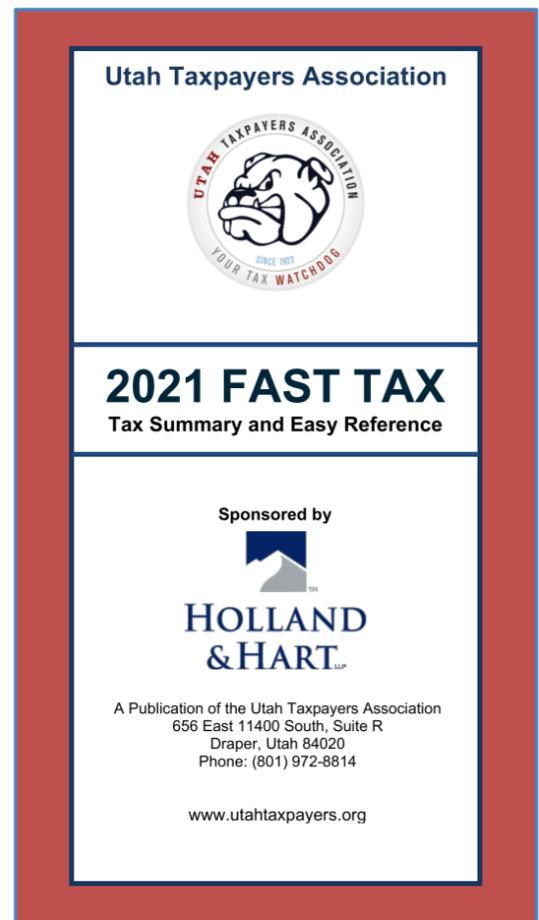
Did you know there are more than 10 different types of sales tax? Or that 58% of property tax revenue collected in 2019 went to public education? Do you know how much the state collected in individual income taxes in FY 2020?

Each year, your Utah Taxpayers Association examines major taxes and fees levied by the state of Utah and compiles helpful information into the Fast Tax booklet. This reference summarizes major Utah state and local taxes and is updated to include estimated revenues. These taxes comprise all major non-federal state revenue sources such as income, sales and fuel taxes, and most major local revenue sources, including property, general sales, and specific sales taxes.

This quick reference booklet examines 28 different taxes and fees to provide readers with details of the purpose of a tax or fee, along with how the money is collected, and what agency collects the revenue. In addition, the Fast Tax booklet provides revenue distribution, the yields from each tax and fee over several years, and any credits or exemptions that may be applicable. The Fast Tax booklet does not examine municipal utility rates, such as water or sewer, nor does it cover license fees.

We'd like to thank Holland and Hart for their sponsorship of the Fast Tax booklet. The Utah Taxpayers Association would also like to thank the staff of the Utah Tax Commission, Driver License Division, Division of Public Utilities, Department of Alcoholic Beverage Control and the Department of Workforce Services for their cooperation in providing information contained in this reference.

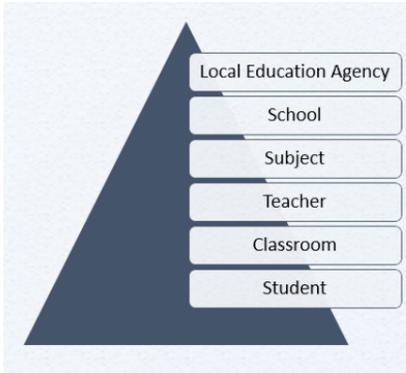
The Fast Tax reference booklet is available on the [Association's website](#), or for a hard copy, email taxwatch@utahtaxpayers.org.



State Auditor's Office Releases Dashboard Examining Education Funding from a Revolutionary New Approach

The Utah State Auditor's office has released a comprehensive overview of Utah's public education system, including expenditures, per-pupil spending, and performance.

The report, called Project KIDS, were made available in January of this year, and categorizes education spending from local education agencies (LEA). According to the Auditor's Office, Project KIDS aims to empower public education stakeholders to more closely align financial resources with their strategic goals, using interactive visualizations tailored to support data-driven decision making.



Project KIDS makes sense of education spending by categorizing all LEA expense transactions into unique spending categories, such as AP coursework or English language learning. The funds in these approximately 200 spending categories are then distributed across the students who participate in the related programs or classes.

These newly created dashboards that use a bottom-up approach for examining education spending. This way, resources can be directed specifically to a student's unique situation. Thus, the individual student resource profiles are utilized to build up spending averages for each classroom, school, and LEA. Instead of reporting a simple average of per-student spending, this approach allows Project KIDS to generate a student spending distribution at each level of education.

In addition, Project KIDS looks at LEA payroll to allow decision makers to allocate teacher salaries across the students they teach.

The data can be drilled down to individual schools, including comparing schools to each other. There's a lot of data to uncover here, [so visit the Auditor's website](#) if you want to learn more about how your school compares.

Association Accomplishments During February:

- ❖ Advocated for sound tax policy with legislators during the 2021 General Session
- ❖ Presented at standing committee hearings at the 2021 Legislative Session
- ❖ Started planning for the Taxes Now Conference on May 13, 2021
- ❖ Started planning Teed Off on Taxes Golf Tournament on June 6, 2021
- ❖ Published and released the 2021 Legislative Scorecard

In the News

- ❖ In Focus Discussion: Utah 2021 Legislative Wrap Up
 - [Rusty Cannon Discusses 3 Bills that Provide Tax Relief](#)
ABC 4
- ❖ Utah Taxpayers Association asks Treasury for Formal Guidance
 - [Guidelines to Clarify Provisions in the American Rescue Plan Act](#)
Utah Policy