

TAXES ON UTAH FAMILIES

Creating the incentives for strong families
and economic growth

- ▶ Necessary caveats
 - ▶ As a general rule
 - ▶ All other things being equal
- ▶ Examples
 - ▶ Cigarettes in New York
 - ▶ Plastic surgery in New Jersey
 - ▶ Boat storage in Massachusetts
 - ▶ Corporate income in the United States
- ▶ What would happen if we increased taxes on reproduction? On strong families?

WHEN YOU TAX SOMETHING,
YOU GET LESS OF IT

- ▶ Was a tax cut for most individual and business taxpayers
- ▶ Utah families saw a state tax increase, and for many, that was larger than the federal tax cut
 - ▶ Eliminated the dependent exemption
 - ▶ Thousands of families did not benefit from the increased personal exemption that replaced it

2017 FEDERAL TAX REFORM THE TAX CUTS AND JOBS ACT

Number of dependents	4
Family Income	\$90,000
Home Mortgage Interest	\$12,000
Charitable Contributions	\$9,000
Property Tax	\$3,000
Standard Deduction	\$25,000

IMPACT ON A UTAH FAMILY

- ▶ Restored the dependent exemption for most Utah families
- ▶ Passed the legislature with only two “No” votes (Briscoe and Bennion)
- ▶ Continues Utah’s national leadership in incentivizing jobs, families, and economic opportunity

SB 153

UTAH PERSONAL EXEMPTIONS AMENDMENTS

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- ▶ Shift the tax burden away from productivity, income, and wealth creation, and towards consumption
- ▶ Leverage technology to create per-mile transportation fees, rather than excise taxes
- ▶ Some version of Sen. Romney's child tax credit

SOME OTHER GOOD IDEAS

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- ▶ A child head tax
- ▶ A limiting of the dependent exemption to two kids
- ▶ Credits that do not benefit at-home parents

SOME BAD IDEAS

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- ▶ Societal cost of collapsing families is incredibly high
 - ▶ Education
 - ▶ Criminal Justice
 - ▶ Mental Health
 - ▶ Intergenerational poverty and welfare dependence
- ▶ Our tax structure and incentives need to promote strong families as a prerequisite to a strong economy

WE NEED STRONG FAMILIES
AND A STRONG ECONOMY

