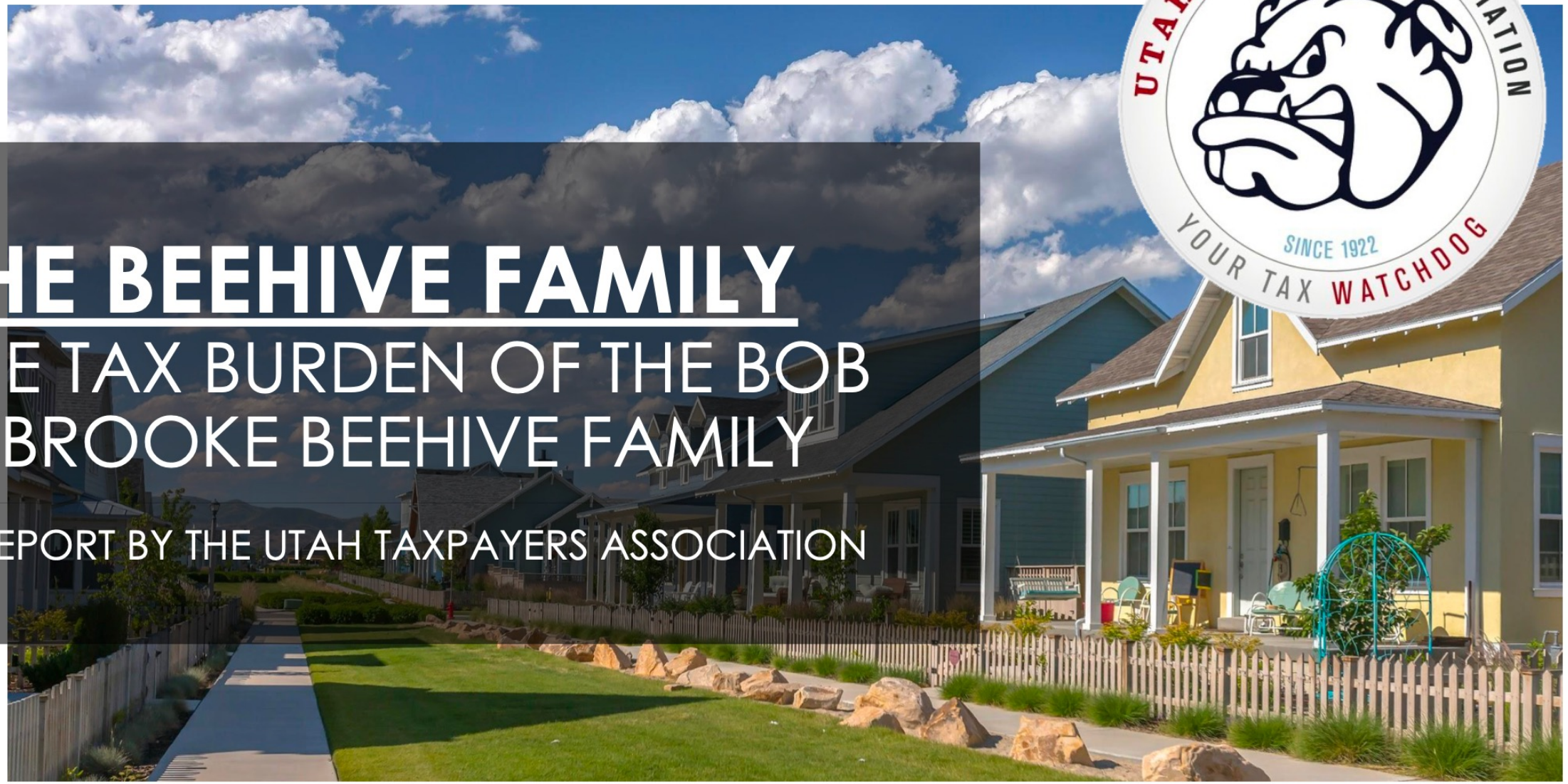


THE BEEHIVE FAMILY

THE TAX BURDEN OF THE BOB & BROOKE BEEHIVE FAMILY

A REPORT BY THE UTAH TAXPAYERS ASSOCIATION

How the Beehive Family's income is taxed is true of most families in Utah. Bob and Brooke both have jobs in order to comfortably support their family. Bob is an advertising agent at a local company and in 2020 earned $55,840. Brooke works part time as a real estate agent earning $25,800 after expenses in 2020. The Beehive Family's **total income was $81,640**. Also, the Beehive Family earned $1,800 that was paid into a 401(k)-retirement program and is not included in the AGI and is not taxed until withdrawn during retirement. Based on these income figures, as well as national and local expenditure patterns as published in the Bureau of Labor Statistics' Consumer Expenditure Survey, the Beehive Family paid the following taxes:

Excerpt from 2021 Beehive Family Report

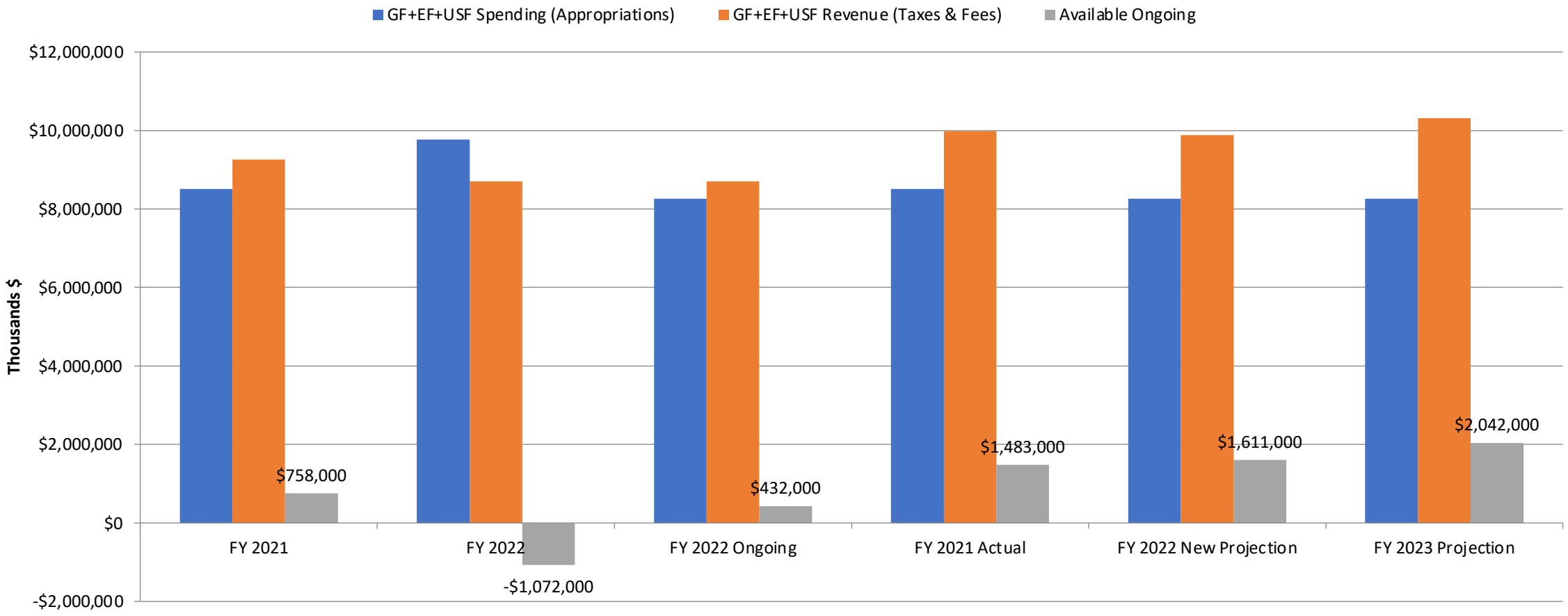
TC -23 Tax Receipts and FY 2022 Projection

The June Revenue Summary (TC-23) shows a likely FY 2021 surplus of at least $700 million.

Projecting forward:

FY 2022 Ongoing New Available Revenue	FY 2022 One – Time Revenue
• $1.5 Billion	• $1 Billion

The Revenue and Spending Picture



Relief For All Taxpayers

It Is Time To Cut the Income Tax Rate

Plenty of revenue to fully fund education and priorities in FY 2023 *AND* Cut Taxes

After cuts below, plenty of revenue still available for education, roads, etc.:

Individual and Corporate Rate Cut To 4.50%

- $585 Million Tax Cut

Still Leaves

- $900 Million new available ongoing revenue
- $1 Billion available one-time revenue

Relief For All Taxpayers

It Is Time To Cut the Income Tax Rate

Last major income tax cut was in 2007

Context: The tax base in 2021 is approximately double what it was in 2007

2007 Tax Base

- $5 Billion
- $400 Million cut approximately 8% of the base

2021 Tax Base

- $10 Billion
- $585 Million cut approximately 5.85% of the base

*Take note: AZ just cut taxes by 15% of their base (cut their rate to 2.5%)

Arizona 2021 Income Tax Cut

In 2021, AZ passed a $1.9 Billion Income Tax Cut

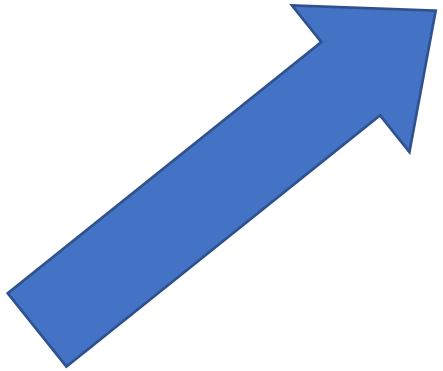
= 15% of their budget

4.5%	**2.5%**
Top Income Tax Rate	**FLAT Income Tax Rate**

Income Tax Revenue Growth In Utah

FY 2008-2020

FY 2008: $3,021,000,000
FY 2009: $2,607,000,000
FY 2010: $2,387,000,000
FY 2011: $2,558,000,000
FY 2012: $2,728,000,000
FY 2013: $3,190,000,000
FY 2014: $3,203,000,000
FY 2015: $3,531,000,000
FY 2016: $3,708,000,000
FY 2017: $3,938,000,000
FY 2018: $4,446,000,000
FY 2019: $4,840,000,000
FY 2020: $4,340,000,000
FY 2021: $6,853,000,000

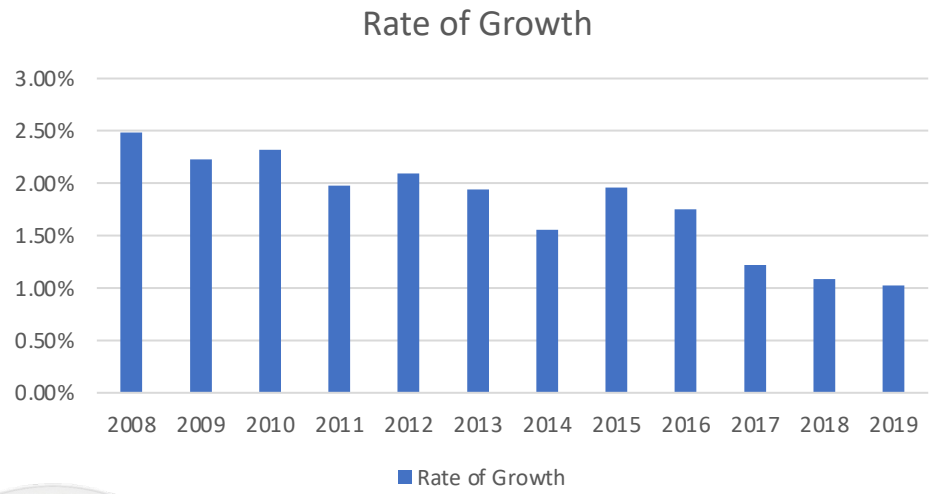


+ 126.84%
+
$3,832,000,000

**Source- Utah State Tax Commission Annual Reports and Oct 2021 TC-23 (rounded)*

Education: Enrollment Growth Is Declining

State Enrollment Growth 2008-2019



2007	515,457	22,196	43.1	537,653	2.60%
2008	523,644	27,369	52.3	551,013	2.48%
2009	529,107	34,166	64.6	563,273	2.22%
2010	536,214	40,121	74.8	576,335	2.32%
2011	542,853	44,892	82.7	587,745	1.98%
2012	550,184	49,876	90.7	600,060	2.10%
2013	557,651	54,060	96.9	611,711	1.94%
2014	560,718	60,519	107.9	621,237	1.56%
2015	566,387	67,011	118.3	633,398	1.96%
2016	572,982	71,494	124.8	644,476	1.75%
2017	576,781	75,566	131.0	652,347	1.22%
2018	581,054	78,384	134.9	659,438	1.09%
Projected					
2019	585,066	81,122	138.7	666,188	1.02%
2020					

Source: Utah State Board of Education

Education Funding Growth In Utah

History of Increases FY 2008-2022

Public Education: State Appropriations & Student Enrollment
Appropriations from All Sources and State Funds Only Compared to Fall Enrollment
Fiscal Years 2008 to 2022 Appropriated

Fiscal Year	Total All Revenue Sources	State Fund Comparisons			Students		
		Total State Funds	Increase/ (Decrease)	Percent Change	Fall Enrollment	Increase/ (Decrease)	Percent Change
2008	$3,492,460,000	$2,602,600,508			537,653		
2009	$3,719,199,300	$2,457,227,300	($145,373,208	-5.6%	551,013	13,36	2.5%
2010	$3,511,456,900	$2,293,037,900	($164,189,400	-6.7%	563,273	12,26	2.2%
2011	$3,451,515,400	$2,336,560,900	$43,523,000	1.9%	576,335	13,06	2.3%
2012	$3,600,446,200	$2,423,182,900	$86,622,000	3.7%	587,745	11,41	2.0%
2013	$3,695,153,900	$2,548,056,500	$124,873,600	5.2%	600,970	13,22	2.3%
2014	$3,862,072,500	$2,667,993,200	$119,936,700	4.7%	612,551	11,58	1.9%
2015	$4,014,211,700	$2,770,437,800	$102,444,600	3.8%	622,153	9,60	1.6%
2016	$4,343,512,500	$2,960,256,600	$189,818,800	6.9%	633,896	11,74	1.9%
2017	$4,666,627,200	$3,168,329,200	$208,072,600	7.0%	644,476	10,58	1.7%
2018	$4,926,877,700	$3,372,974,800	$204,645,600	6.5%	652,347	7,87	1.2%
2019	$5,173,631,500	$3,567,384,000	$194,409,200	5.8%	659,438	7,09	1.1%
2020	$5,461,499,400	$3,731,652,700	$164,268,700	4.6%	667,403	7,96	1.2%
2021	$6,338,698,200	$4,037,112,000	$305,459,300	8.2%	666,609	(79	-0.1%
2022	$6,796,980,700	$4,179,626,900	$142,514,900	3.5%	673,854	7,24	1.1%

Notes:

1. Beginning in FY 2016, Total State Funds includes $75.0 million in the Minmum Basic Growth Account.
2. Beginning in FY 2019, Total State Funds includes Local Levy Growth Account and Teacher and Student Success Account amounts.
3. FY 2022 amounts as appropriated. All other years amounts are revised to include supplemental appropriations.
4. FY 2022 (Fall 2021) enrollment is projected, preceding years are actual fall enrollment counts.

Source: Appropriations Reports, Office of the Legislative Fiscal Analyst, 2009-2021.

UTAH TAXPAYERS ASSOCIATION
SINCE 1922
YOUR TAX WATCHDOG

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