



**State of Utah**

**GARY R. HERBERT**  
*Governor*

**SPENCER J. COX**  
*Lieutenant Governor*

## GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET

**KRISTEN COX**  
*Executive Director*

May 6, 2019

Lieutenant Governor Cox,

Submitted below is the Governor's Office of Management and Budget's fiscal estimate for the Clean the Air Carbon Tax Act initiative:

- *Upon initial implementation (FY2022), create a shortfall of about \$115 million Education Fund and General Fund compared to current law;*
- *Fully implemented (FY2024), increase tax revenues by approximately \$221 million, including new carbon emission taxes (+\$628 million), sales tax decreases (-\$239 million), income tax decreases (-\$25 million), and corporate tax decreases (-\$143 million);*
- *Decrease the following rates by 100%: sales tax on unprepared food (1.75% to 0%), residential fuel (2.0% to 0%), and commercial fuel (4.85% to 0%).*

The one-time expense of \$30,000 is needed for the cost of posting information regarding the proposed initiative in Utah's statewide newspapers and for printing additional pages in the voter information pamphlet.

Should you have any questions, please contact Richie Wilcox, Budget Revenue and Policy Analyst, at (801) 538-1702.

Sincerely,

Kristen Cox  
Executive Director