



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET

KRISTEN COX
Executive Director

June 29, 2017

Mark J. Thomas
Chief Deputy/Director of Elections
Office of the Lieutenant Governor
Utah State Capitol, Suite 220
Salt Lake City, UT 84114

Dear Mark,

The Governor's Office of Management and Budget estimates that the ***Our Schools Now Statewide Initiative*** would have the following impacts for the State of Utah:

- Fully implemented, result in a total fiscal impact of \$865,000,000, including income tax increases of \$560,000,000 (65% of the increase) and sales tax increases of \$305,000,000 (35% of the increase); and allocate revenues for education expenses. Economic or taxpayer behavior changes would alter these estimates.
- Increase the current income tax rate by 0.5%, resulting in a 10% increase in the current tax rate and increase the current sales tax rate by 0.5%, resulting in a 10.6% increase in the current tax rate. Many individual impacts exceed these percentages.

In addition, the cost of posting information regarding the initiative in Utah's statewide newspapers and for printing the additional pages in the voter information packet (VIP) are estimated at \$30,000.

If you have questions regarding this information, please contact Phil Dean, Budget Director and Chief Economist, Governor's Office of Management and Budget.

Sincerely,

Kristen Cox
Executive Director

cc: Gail Miller
Ron Jibson
Allison Riddle
Rebecca Edwards
Wilford Clyde