

# Charting the Course: Navigating Revised Revenue Estimates

February 16, 2024

On Friday, February 16<sup>th</sup>, the Legislative Fiscal Analyst along with the Governor’s Office announced updated consensus revenue estimates for Fiscal Years (FY) 2024 and 2025. The net impact of these modest changes are positive. While the last few years of astronomical growth may paint available revenue in a lackluster light, in reality these figures demonstrate stable, moderate growth. Changes from December’s estimates by fund and revenue type are reflected in the table below, along with the total available revenue:

|   | <b>One-time</b>      | <b>Ongoing</b>       |
|---|----------------------|----------------------|
| <b>General Fund</b>                             | \$110 million        | (\$136 million)      |
| <b>Income Tax Fund</b>                          | \$104 million        | \$262 million        |
| <b>Subtotal, Additional Available</b>           | <b>\$214 million</b> | <b>\$126 million</b> |
| <b>Available from Dec. Estimate<sup>1</sup></b> | 267 million          | \$7 million          |
| <b>Grand Total</b>                              | <b>\$481 million</b> | <b>\$133 million</b> |

1. Available revenue after making statutorily required set asides.

The one-time General Fund revenue bump is courtesy of our current fiscal-year-favorite, investment income, while ongoing adjustments reflect moderating trends in sales tax. Forecasts for the Income Tax Fund increased both one-time and ongoing, attributed to variety of factors including: wages, the stock market, and interest rate expectations. Utah’s current labor force participation, job growth, and unemployment rates, along with increasing consumer sentiment underscore the soundness of the state’s fiscal outlook.

Revenue estimates were released concurrently with the latest revenue collection summary from the Tax Commission and the February Revenue Snapshot, which compares collections to the latest estimates. Collections to both the General and Income Tax Fund remain largely static over this time last year. The Transportation Fund is up 10.4% year-over-year, a growth rate that is largely attributed to the higher gas tax that was implemented in calendar year 2023.

The reports referenced in this post are available at the following links:  
[February Revenue Snapshot \(FY 24\)](#)  
[Tax Commission Revenue Summary \(Period 7, FY 2024\)](#)  
[Revenue Publications Archive](#)