

Economic Updates

Utah State Board of Education
October 2, 2025



Economic Update:

- Monthly State Revenue Snapshot
 - June 2025(based on Utah State Tax Commission Monthly Revenue Summary Report (Report TC-23)).
 - **July 2025 – Monthly State Revenue Snapshot is available (PRELIMINARY YEAR-END)!!!**
- Utah Economic Council – Economic and Business Indicators (Utah Economic Council and Gardner Institute)
 - Based on Utah Economic Council and Business Indicators Report – June 2025.

Economic Update:

- Latest GDP Report – 2nd Quarter (Advance Estimate and Second Estimate)
- Advance Estimate - Based on U.S. Bureau of Economic Analysis (BEA) News Release, July 30, 2025.
- Second Estimate - Based on U.S. Bureau of Economic Analysis (BEA) News Release, August 28, 2025.
- “Soft landing”?

June 2025 – Monthly State Revenue Snapshot

- Revenue Highlights:
 - General and Income Tax Funds (GF/ITF/USF)
 - Revenues - \$10.9 billion:
 - Represents Year-Over-Year (YOY) increase of 4.2 %.
 - Target rate 1.2 %.

June 2025 – Monthly State Revenue Snapshot

- Revenue Highlights:
 - Income Tax Funds (ITF):
 - Revenues - \$6.157 billion:
 - Represents Year-Over-Year (YOY) increase of 6.4 %.
 - Target rate – 4.4 %.

June 2025 – Monthly State Revenue Snapshot

- Revenue Highlights:
 - Growth indicated across multiple categories.
 - Income Tax Fund (ITF):
 - Revenue collections (Individual Income Tax):
 - Above the projected range.
 - Some stabilization compared to previous years.

June 2025 – Monthly State Revenue Snapshot

- Overall Commentary:
 - ‘Summary’:
 - “Looking at the total General Fund, Income Tax Fund, and Transportation Fund together, collections increased by 4.5 percent compared to the same period last year, above the 1.6 percent projected growth rate.”
 - ‘Income Tax Fund’:
 - “Income Tax Fund collections were over \$7.0 billion in the first 11 months of FY 2025 - a change of 6.2 percent compared to last year. This growth was driven by robust growth in all the major income tax sources. Individual income tax grew at 6.4 percent, above the 4.4 percent projected growth rate.”

June 2025– Monthly State Revenue Snapshot

MONTHLY STATE REVENUE SNAPSHOT JUNE 2025

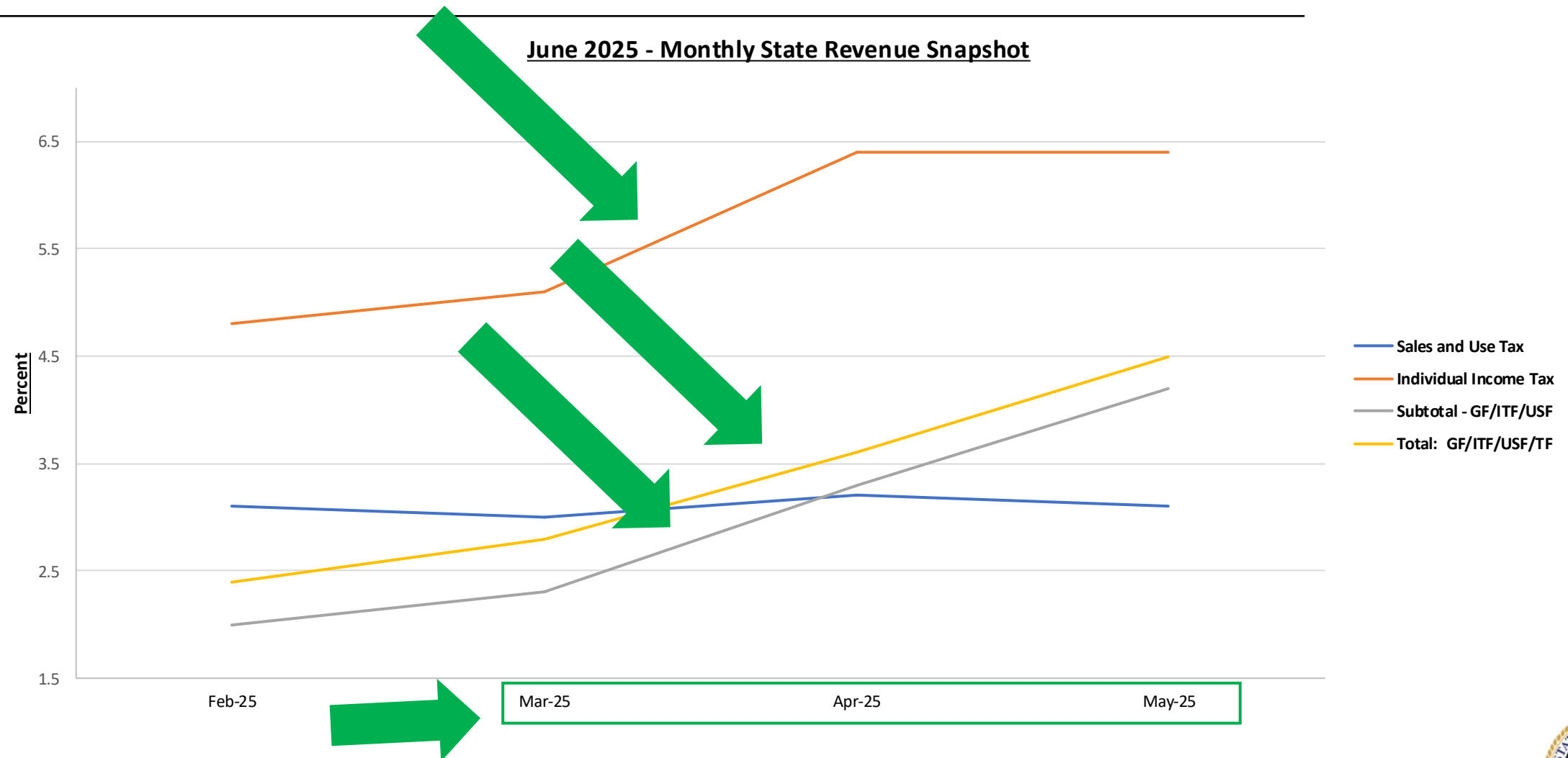
based on the Utah State Tax Commission Monthly Revenue Summary (Report TC-23)

	Projected Growth Rate - February Estimates (Annual)	YoY Growth Rate	Projected Range in Collections Through 11 Months	FY 2025 Actual Collections	FY 2025 Year-End Forecast	Feb-25	Mar-25	Apr-25	May-25
General Fund									
Sales & Use Tax	2.4%	3.1%	\$2,956,000,000 - \$3,268,000,000	\$3,185,798,968	\$3,394,946,667	3.1%	3.0%	3.2%	3.1%
All Other Sources	-9.5%	-7.5%	\$650,000,000 - \$794,000,000	\$764,906,430	\$787,784,000	-6.9%	-7.0%	-6.7%	-7.5%
Subtotal General Fund	-0.1%	0.9%		\$3,950,705,398	\$4,182,730,667	1.2%	0.9%	1.2%	0.9%
Sales & Use Tax Set-Asides	2.9%	1.4%	\$1,040,000,000 - \$1,272,000,000	\$1,113,247,035	\$1,261,144,062	-0.2%	0.0%	-0.9%	1.4%
Income Tax Fund/Uniform School Fund									
Individual Income Tax	4.4%	6.4%	\$5,887,000,000 - \$6,006,000,000	\$6,157,051,587	\$6,486,707,667	4.8%	5.1%	6.4%	6.4%
Withholding		3.2%		\$4,855,237,953		4.8%	4.6%	3.0%	3.2%
Final Payments (plus SALT Passthrough)		20.0%		\$1,301,813,633		4.7%	9.2%	19.9%	20.0%
Corporate Tax	-11.7%	5.3%	\$645,000,000 - \$788,000,000	\$811,177,518	\$781,871,667	-20.0%	-13.4%	-8.3%	5.3%
All Other Sources	-14.2%	0.2%	\$63,000,000 - \$77,000,000	\$79,368,455	\$152,073,000	4.4%	-1.5%	-7.8%	0.2%
Subtotal Income Tax Fund	2.0%	6.2%		\$7,047,597,560	\$7,420,652,333	2.5%	3.2%	4.5%	6.2%
Subtotal GF/ITF/USF	1.2%	4.2%		\$10,998,302,958	\$11,603,383,000	2.0%	2.3%	3.3%	4.2%
Transportation Fund									
Motor Fuel Tax	8.5%	8.7%	\$399,000,000 - \$488,000,000	\$438,377,679	\$484,101,250	9.2%	8.5%	8.2%	8.7%
Special Fuel Tax	3.3%	1.9%	\$168,000,000 - \$205,000,000	\$172,202,012	\$203,510,667	2.0%	4.7%	3.3%	1.9%
Other	8.9%	15.2%	\$135,000,000 - \$165,000,000	\$162,174,974	\$204,431,333	18.2%	18.8%	17.0%	15.2%
Subtotal Transportation Fund	7.4%	8.4%		\$772,754,665	\$892,043,250	9.1%	9.5%	8.8%	8.4%
Total, GF/ITF/USF/TF	1.6%	4.5%		\$11,771,057,623		2.4%	2.8%	3.6%	4.5%

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June 2025 – Monthly State Revenue Snapshot



July 2025 (PRELIMINARY YEAR-END!!!) – Monthly State Revenue Snapshot

- Revenue Highlights:
 - General and Income Tax Funds (GF/ITF/USF)
 - Revenues - \$11.9 billion:
 - Represents Year-Over-Year (YOY) increase of 4.5 %.
 - Target rate 1.2 %.

July 2025 (PRELIMINARY YEAR-END!!!) – Monthly State Revenue Snapshot

- Revenue Highlights:
 - Income Tax Funds (ITF):
 - Revenues - \$6.6 billion:
 - Represents Year-Over-Year (YOY) increase of 6.3 %.
 - Target rate – 4.4 %.

July 2025 (PRELIMINARY YEAR-END!!!) – Monthly State Revenue Snapshot

- Revenue Highlights:
 - Growth indicated across multiple categories.
 - Income Tax Fund (ITF):
 - Revenue collections (Individual Income Tax):
 - Above the projected range.
 - Some stabilization compared to previous years.

July 2025 (PRELIMINARY YEAR-END!!!) – Monthly State Revenue Snapshot

- Overall Commentary:
 - ‘Summary’:
 - “Looking at total General Fund, Income Tax Fund, and Transportation Fund together, collections increased by 4.8% compared to the same period last year, above the 1.7% projected growth rate.”
 - ‘Income Tax Fund’:
 - “Preliminary year-end FY 2025 Income Tax Fund collections amounted to just over \$7.68 billion, for a YoY growth of 6.7%. The fund overall outpaced the forecast by 4.7 percentage points due in large part to strong individual income tax growth throughout the year as well as corporate tax’s accelerated growth in the second half of the year. Individual income tax collections totaled a preliminary \$6.62 billion, growing at 6.3% YoY. **The growth of this source is largely supported by an underlying labor market which has experienced steady growth in both wages and number of jobs over the last year.** Corporate tax ends the year with a preliminary \$946 million in collections for a 6.8% growth rate. “

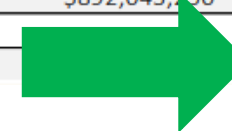
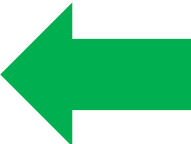
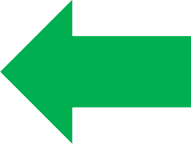
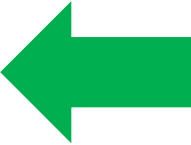


July 2025 (**PRELIMINARY YEAR-END!!!**) – Monthly State Revenue Snapshot

MONTHLY STATE REVENUE SNAPSHOT JULY 2025

based on the Utah State Tax Commission Monthly Revenue Summary (Report TC-23)

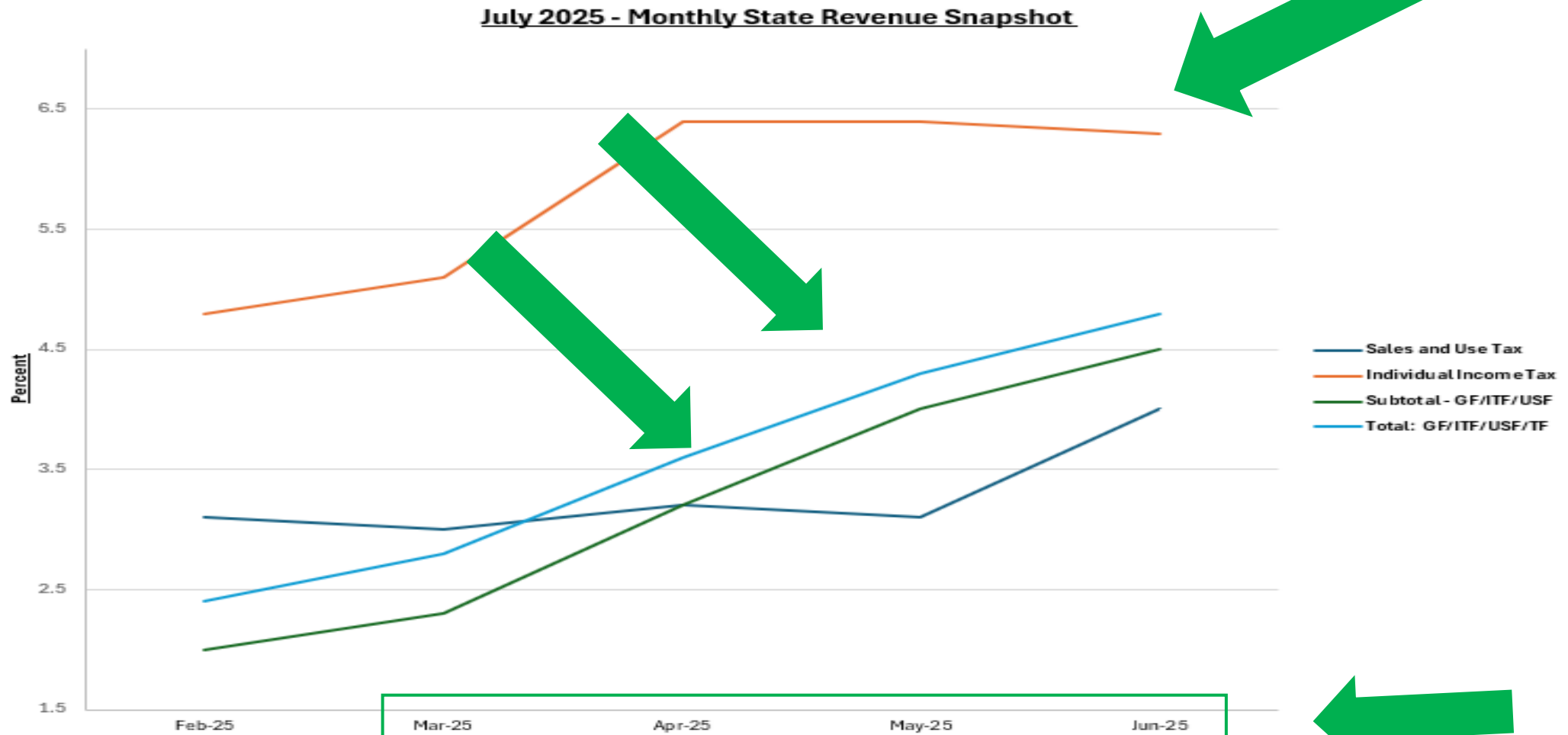
General Fund	Projected Growth Rate - February Estimates (Annual)	YoY Growth Rate	Projected Range in Collections Through 12 Months	FY 2025 Actual Collections	FY 2025 Year-End Forecast	Mar-25	Apr-25	May-25	Jun-25
Sales & Use Tax	2.4%	4.0%	\$3,055,000,000 - \$3,734,000,000	\$3,475,218,722	\$3,394,946,667	3.0%	3.2%	3.1%	4.0%
All Other Sources	-9.5%	-10.9%	\$709,000,000 - \$867,000,000	\$806,222,166	\$787,784,000	-6.7%	-6.9%	-9.4%	-10.9%
Subtotal General Fund	-0.1%	0.9%		\$4,281,440,888	\$4,182,730,667	1.0%	1.1%	0.4%	0.9%
Sales & Use Tax Set-Asides	2.9%	0.2%	\$1,135,000,000 - \$1,387,000,000	\$1,207,087,325	\$1,261,144,062	0.0%	-0.9%	1.4%	0.2%
Income Tax Fund/Uniform School Fund									
Individual Income Tax	4.4%	6.3%	\$5,838,000,000 - \$7,135,000,000	\$6,621,742,980	\$6,486,707,667	5.1%	6.4%	6.4%	6.3%
Withholding		3.5%		\$5,301,245,105		4.6%	3.0%	3.2%	3.5%
Final Payments (plus SALT Passthrough)		19.7%		\$1,320,497,875		9.2%	19.9%	20.0%	19.7%
Corporate Tax	-11.5%	6.8%	\$704,000,000 - \$860,000,000	\$946,430,819	\$781,871,667	-13.4%	-8.3%	5.3%	6.8%
All Other Sources	-14.2%	30.9%	\$137,000,000 - \$167,000,000	\$113,314,675	\$152,073,000	-1.5%	-7.8%	0.2%	30.9%
Subtotal Income Tax Fund	2.0%	6.7%		\$7,681,488,474	\$7,420,652,333	3.2%	4.5%	6.2%	6.7%
Subtotal GF/ITF/USF		4.5%		\$11,962,929,362	\$11,603,383,000	2.3%	3.2%	4.0%	4.5%
Transportation Fund									
Motor Fuel Tax	8.5%	8.3%	\$436,000,000 - \$533,000,000	\$481,888,730	\$484,101,250	8.5%	8.2%	8.7%	8.3%
Special Fuel Tax	3.3%	5.9%	\$183,000,000 - \$224,000,000	\$199,597,672	\$203,510,667	4.7%	3.3%	1.9%	5.9%
Other	8.9%	15.3%	\$184,000,000 - \$225,000,000	\$178,380,907	\$204,431,333	18.8%	16.9%	15.1%	15.3%
Subtotal Transportation Fund	7.4%	9.1%		\$859,867,308	\$892,043,250	9.5%	8.8%	8.4%	9.1%
Total, GF/ITF/USF/TF	1.7%	4.8%		\$12,822,796,670		2.8%	3.6%	4.3%	4.8%



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July 2025 (PRELIMINARY YEAR-END!!!) – Monthly State Revenue Snapshot



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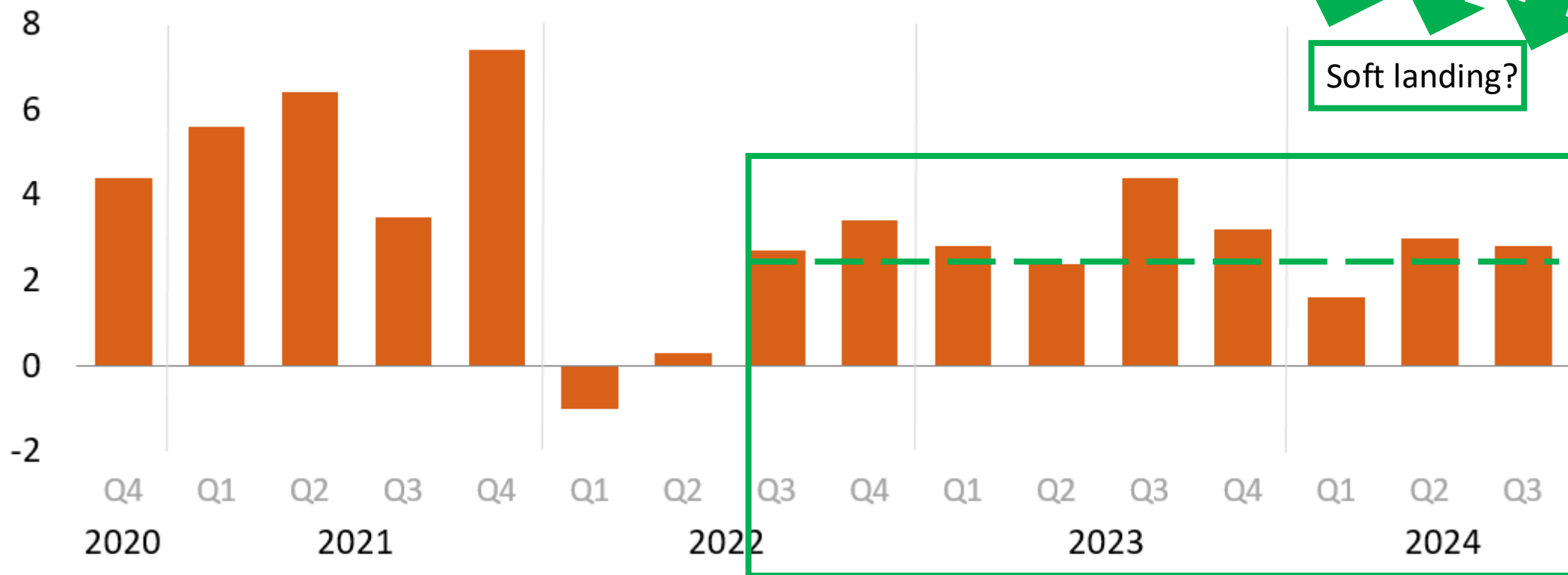


**** **January 2025 Presentation Slide** ****

United States - Latest GDP Report – 3rd Quarter(Second Estimate)

**** **January 2025 Presentation Slide** ****

Real GDP: Percent change from preceding quarter



U.S. Bureau of Economic Analysis

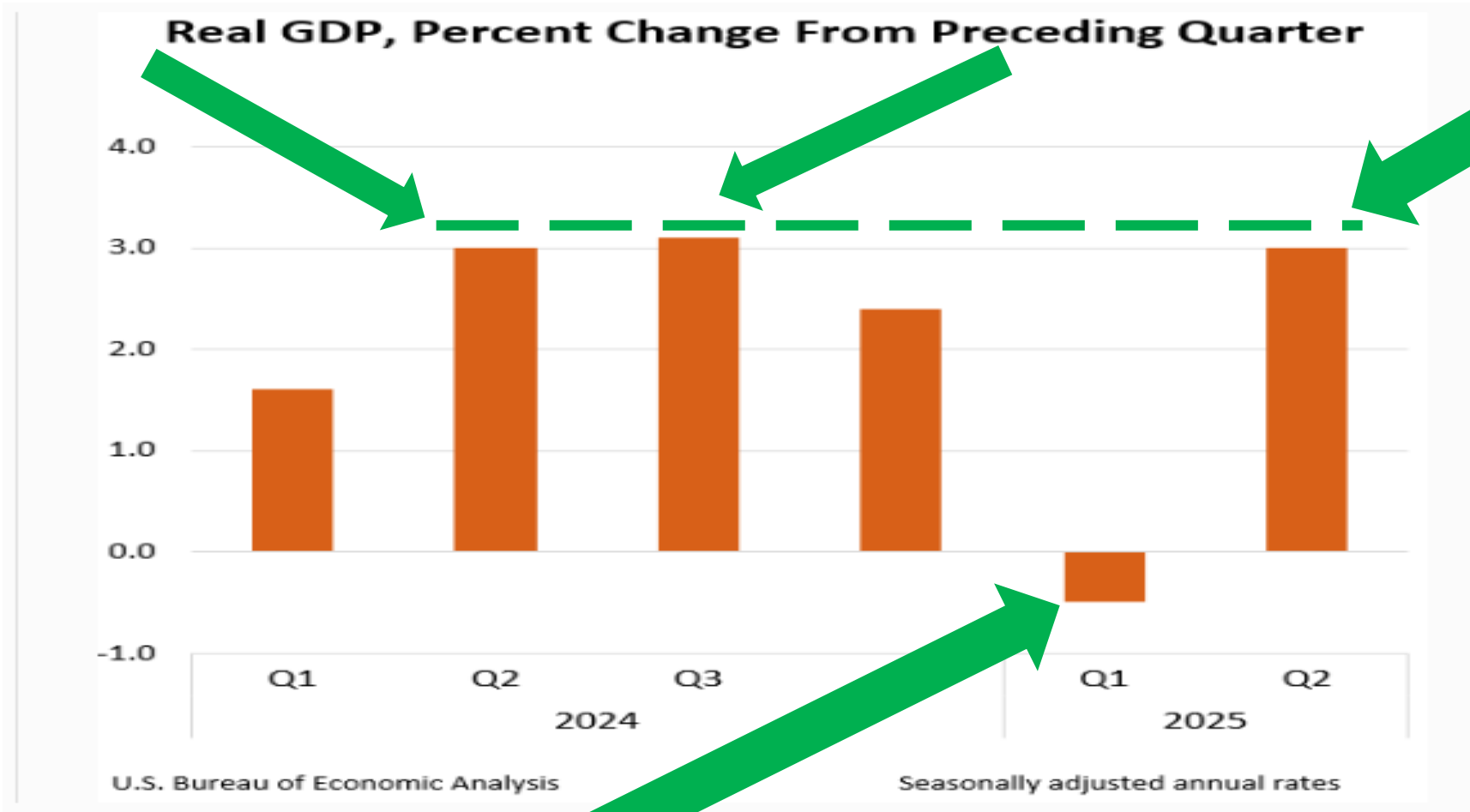
Seasonally adjusted annual rates

9 quarters of steady economic growth

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- United States - Latest GDP Report – 2nd Quarter (Advanced Estimate)**

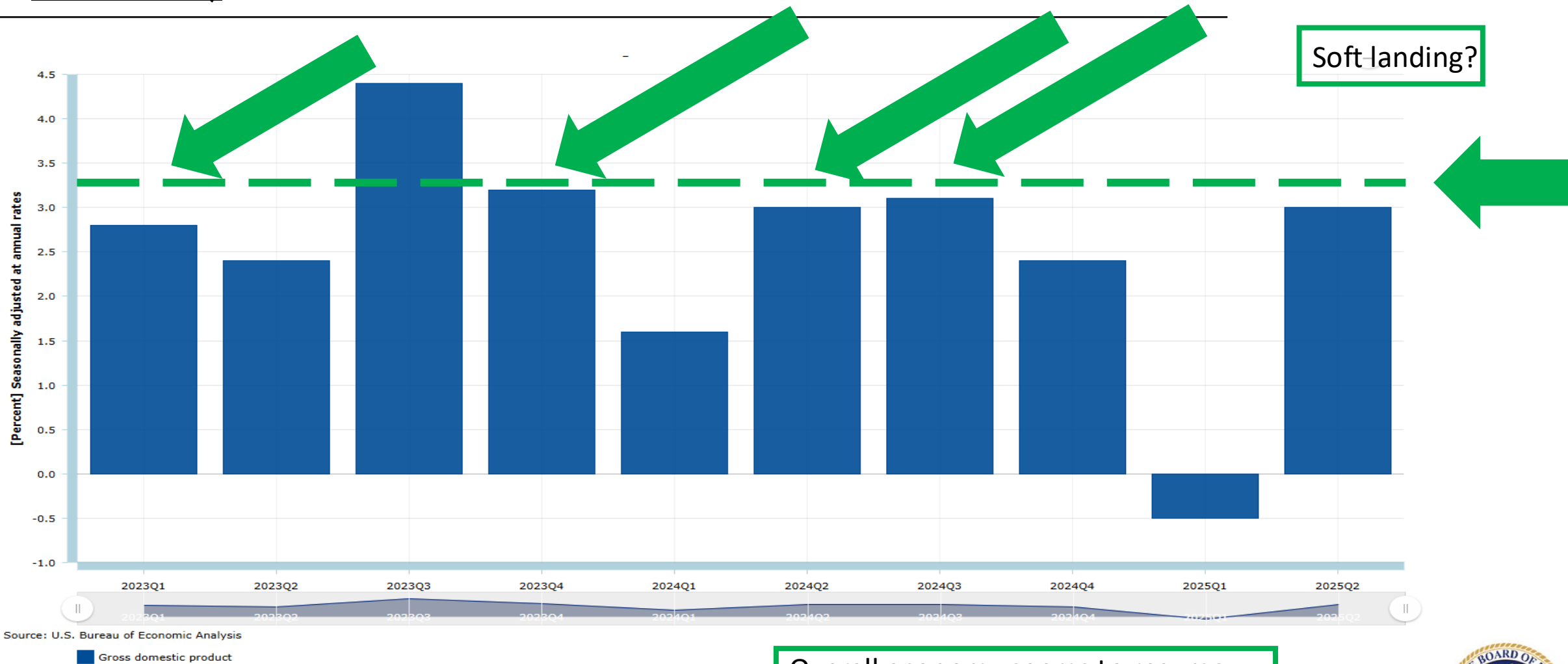


Soft landing?

Overall economy seems to resume growth – back in 'soft landing mode'?

Tariff "news" shock

- United States - Latest GDP Report – 2nd Quarter (Advanced Estimate)**



- **Utah Economic Council – Economic and Business Indicators**

- Indicators: Percent Change 2024-25
 - Note:
 - US Real GDP: 1.5%
 - Utah Real GDP: 3.3%
- Indicators: Percent Change 2025-26
 - Note:
 - US Real GDP: 1.8%
 - Utah Real GDP: 3.1%

- **Utah Economic Council – Economic and Business Indicators**
- **(June 2025)**

Utah Economic Council Economic and Business Indicators
Utah and the United States, June 2025

	2021 Actual	2022 Actual	2023 Actual	2024 Estimate	Percent Change		
DEMOGRAPHICS					21-22	22-23	23-24
Utah July 1st Population (Thousands)	3,343	3,401	3,456	3,507	1.7%	1.6%	1.5%
Utah Net Migration (Thousands)	34.0	34.9	31.6	26.0	2.9%	-9.5%	-17.7%
U.S. July 1st Population (Millions)	333	335	337	341	0.6%	0.9%	0.9%

EMPLOYMENT, WAGES, AND INCOME

Utah Nonagricultural Employment (DWS) (Thousands)	1,617	1,685	1,724	1,748	4.2%	2.3%	1.4%
Utah Total Nonagriculture Wages (DWS) (Millions)	\$92,037	\$101,797	\$108,493	\$115,532	10.6%	6.6%	6.5%
Utah Average Annual Pay (DWS) (Dollars)	\$56,928	\$60,406	\$62,922	\$66,094	6.1%	4.2%	5.0%
Utah Unemployment Rate (DWS) (Percent)	2.7	2.4	2.6	3.2	–	–	–
Utah Personal Income (BEA) (Millions)	\$194,316	\$205,519	\$219,332	\$232,792	5.8%	6.7%	6.1%
U.S. Establishment Employment (BLS) (Millions)	146.3	152.5	155.9	158.0	4.3%	2.2%	1.3%
U.S. Total Wages & Salaries (BEA) (Billions)	\$10,316	\$11,123	\$11,725	\$12,401	7.8%	5.4%	5.8%
U.S. Average Annual Pay (BEA)	\$70,521	\$72,921	\$75,220	\$78,507	3.4%	3.2%	4.4%
U.S. Unemployment Rate (BLS) (Percent)	5.4	3.7	3.6	4.0	–	–	–
U.S. Personal Income (BEA) (Billions)	\$21,419	\$22,089	\$23,403	\$24,669	3.1%	5.9%	5.4%

PRODUCTION AND SALES

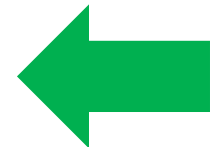
Utah Real GDP (2017 Chained, Millions)	\$210,447	\$217,443	\$225,459	\$235,407	3.3%	3.7%	4.4%
Utah Taxable Sales (Millions)	\$90,105	\$100,894	\$102,657	\$105,191	12.0%	1.7%	2.5%
Utah Exports (Millions)	\$18,060	\$16,542	\$17,388	\$18,213	-8.4%	5.1%	4.7%
U.S. Real GDP (2017 Chained, Billions)	\$21,495	\$22,035	\$22,671	\$23,305	2.5%	2.9%	2.8%
U.S. Total Retail Sales (Billions)	\$7,214	\$7,872	\$8,149	\$8,361	9.1%	3.5%	2.6%
U.S. Real Exports (2017 Chained, Billions)	\$2,284	\$2,456	\$2,524	\$2,606	7.5%	2.8%	3.3%

Utah Economic Council Forecast			
2025	2026	Percent Change 24-25	Percent Change 25-26
3,556	3,602	1.4%	1.3%
25.3	23.8	-2.7%	-5.9%
342	343	0.5%	0.3%

1,781	1,813	1.9%	1.8%
\$121,848	\$128,134	5.5%	5.2%
\$68,407	\$70,665	3.5%	3.3%
3.3	3.5	–	–
\$244,432	\$256,653	5.0%	5.0%
159.6	160.1	1.0%	0.3%
\$13,004	\$13,543	4.9%	4.1%
\$81,488	\$84,613	3.8%	3.8%
4.5	4.6	–	–
\$25,938	\$27,194	5.1%	4.8%

\$243,102	\$250,530	3.3%	3.1%
\$108,557	\$111,922	3.2%	3.1%
\$19,216	\$19,780	5.5%	2.9%
\$23,655	\$24,080	1.5%	1.8%
\$8,702	\$8,944	4.1%	2.8%
\$2,618	\$2,683	0.4%	2.5%

Utah forecasts were increased whereas U.S. forecasts were lowered.



**** January 2025 Presentation Slide ****

United States - Latest GDP Report – 3rd Quarter(Second Estimate)

**** January 2025 Presentation Slide ****

Utah Economic Council Economic and Business Indicators

Utah and the United States, September 2024

	2020 Actual	2021 Actual	2022 Actual	2023 Estimate	Percent Change		
DEMOGRAPHICS					20-21	21-22	22-23
Utah July 1st Population (Thousands)	3,285	3,343	3,400	3,456	1.8%	1.7%	1.6%
Utah Net Migration (Thousands)	26.1	34.0	34.9	31.6	29.9%	2.9%	-9.7%
U.S. July 1st Population (Millions)	332	333	335	338	0.2%	0.7%	1.1%

EMPLOYMENT, WAGES, AND INCOME

Utah Nonagricultural Employment (DWS) (Thousands)	1,539	1,617	1,685	1,726	5.1%	4.2%	2.4%
Utah Total Nonagriculture Wages (DWS) (Millions)	\$83,223	\$92,040	\$101,800	\$108,301	10.6%	10.6%	6.4%
Utah Average Annual Pay (DWS) (Dollars)	\$54,079	\$56,930	\$60,408	\$62,747	5.3%	6.1%	3.9%
Utah Unemployment Rate (DWS) (Percent)	4.7	2.7	2.3	2.6	–	–	–
Utah Personal Income (BEA) (Millions)	\$171,385	\$190,468	\$201,012	\$213,159	11.1%	5.5%	6.0%
U.S. Establishment Employment (BLS) (Millions)	142.2	146.3	152.5	156.1	2.9%	4.3%	2.3%
U.S. Total Wages & Salaries (BEA) (Billions)	\$9,465	\$10,313	\$11,116	\$11,798	9.0%	7.8%	6.1%
U.S. Average Annual Pay (BEA)	\$66,575	\$70,501	\$72,877	\$75,597	5.9%	3.4%	3.7%
U.S. Unemployment Rate (BLS) (Percent)	8.1	5.4	3.6	3.6	–	–	–
U.S. Personal Income (BEA) (Billions)	\$19,629	\$21,408	\$21,841	\$22,961	9.1%	2.0%	5.1%

PRODUCTION AND SALES

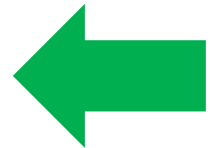
Utah Real GDP (2017 Chained, Millions)	\$194,754	\$209,975	\$213,898	\$219,180	7.8%	1.9%	2.5%
Utah Taxable Sales (Millions)	\$74,731	\$90,105	\$100,893	\$102,554	20.6%	12.0%	1.6%
Utah Exports (Millions)	\$17,713	\$18,060	\$16,542	\$17,398	2.0%	-8.4%	5.2%
U.S. Real GDP (2017 Chained, Billions)	\$20,234	\$21,408	\$21,822	\$22,385	5.8%	1.9%	2.6%
U.S. Total Retail Sales (Billions)	\$6,219	\$7,354	\$8,020	\$8,310	18.2%	9.1%	3.6%
U.S. Real Exports (2017 Chained, Billions)	\$2,145	\$2,281	\$2,440	\$2,504	6.3%	7.0%	2.6%

Utah Economic Council Forecast

2024	2025	Percent Change	
		23-24	24-25
3,508	3,557	1.5%	1.4%
32.0	31.3	1.4%	-2.3%
342	345	1.0%	0.8%

1,762	1,797	2.1%	2.0%
\$114,777	\$121,170	6.0%	5.6%
\$65,131	\$67,411	3.8%	3.5%
3.0	3.2	–	–
\$224,883	\$236,577	5.5%	5.2%
158.6	159.6	1.6%	0.7%
\$12,362	\$12,909	4.8%	4.4%
\$77,969	\$80,873	3.1%	3.7%
4.1	4.4	–	–
\$24,004	\$25,214	4.5%	5.0%

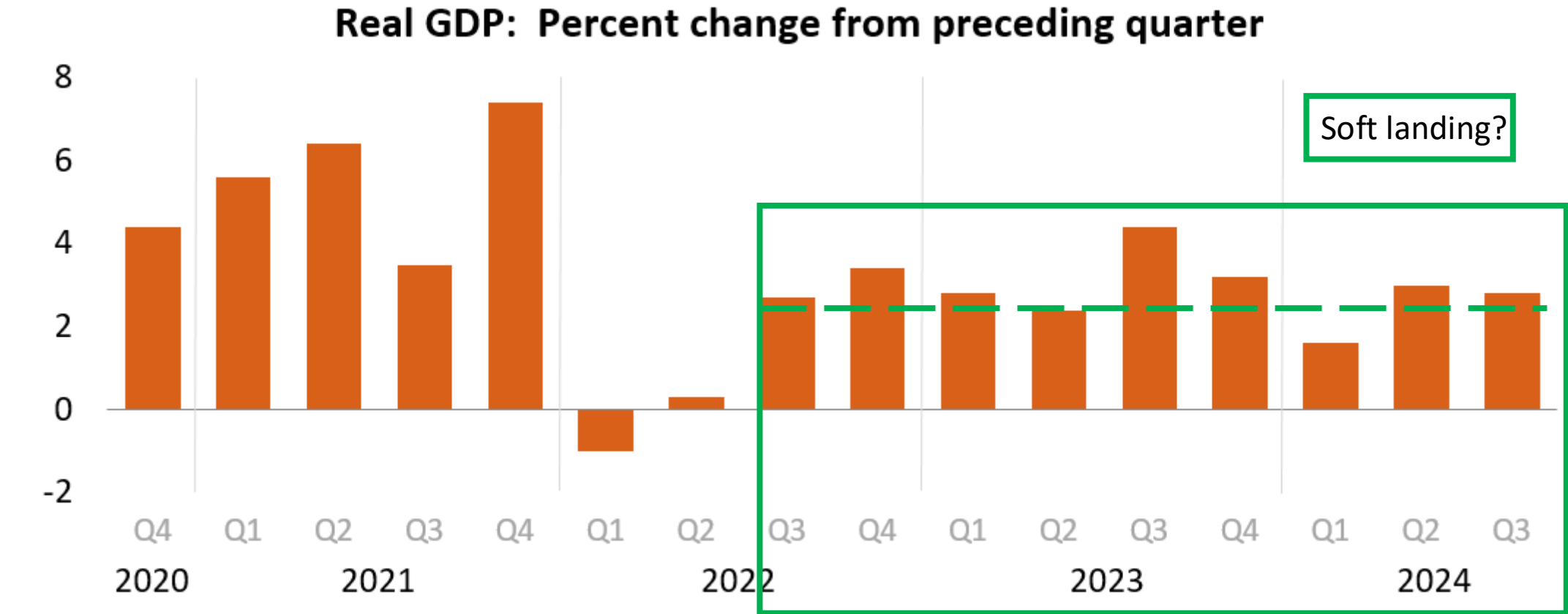
\$225,135	\$230,997	2.7%	2.6%
\$105,938	\$110,176	3.3%	4.0%
\$18,512	\$19,594	6.4%	5.8%
\$22,945	\$23,404	2.5%	2.0%
\$8,471	\$8,650	1.9%	2.1%
\$2,566	\$2,664	2.5%	3.8%



**** January 2025 Presentation Slide ****

United States - Latest GDP Report – 3rd Quarter(Second Estimate)

**** January 2025 Presentation Slide ****



U.S. Bureau of Economic Analysis

Seasonally adjusted annual rates

9 quarters of steady economic growth

UTAH STATE BOARD OF EDUCATION



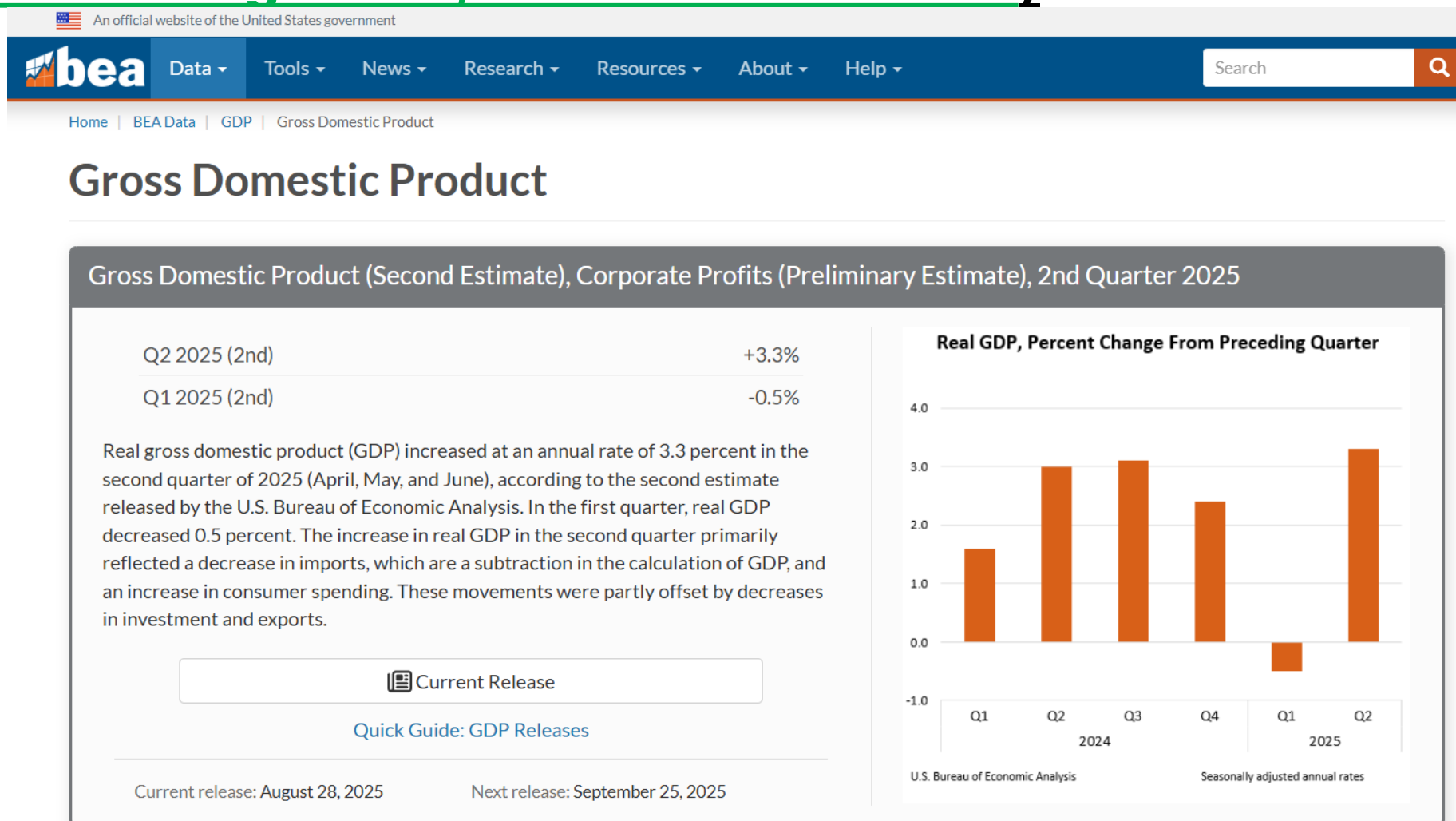
- **United States - Latest GDP Report – 2nd Quarter (Advance Estimate)**

- Real Gross Domestic Product:
 - Increased at an annual rate of 3.0 percent in the 2nd quarter of 2025 (Advance estimate).
 - “Real gross domestic product (GDP) increased at an annual rate of 3.0 percent in the second quarter of 2025 (April, May, and June), according to the advance estimate released by the U.S. Bureau of Economic Analysis. In the first quarter, real GDP decreased 0.5 percent. The increase in real GDP in the second quarter primarily reflected a decrease in imports, which are a subtraction in the calculation of GDP, and an increase in consumer spending. These movements were partly offset by decreases in investment and exports.”

- **United States - Latest GDP Report – 2nd Quarter (Second Estimate – August 28, 2025 – UPDATED!!!)**

- Real Gross Domestic Product:
 - Increased at an annual rate of 3.3 percent in the 2nd quarter of 2025 (Second estimate).
 - “Real gross domestic product (GDP) increased at an annual rate of 3.3 percent in the second quarter of 2025 (April, May, and June), according to the second estimate released by the U.S. Bureau of Economic Analysis. In the first quarter, real GDP decreased 0.5 percent. The increase in real GDP in the second quarter primarily reflected a decrease in imports, which are a subtraction in the calculation of GDP, and an increase in consumer spending. These movements were partly offset by decreases in investment and exports.”

- **United States - Latest GDP Report – 2nd Quarter (Second Estimate – August 28, 2025 – UPDATED!!!)**



- **Economic Update – Fed Chair Recent Comments**

- Federal Reserve Chair Powell – Jackson Hole Economic Symposium (August 2025):
 - Opened the door to a September rate cut.
 - Inflation risks – “tilted to the upside”.
 - Tariff-related inflation pressures “are now clearly visible”.
 - “Downside risks to employment are rising.”
 - “If those risks materialize, they can do so quickly in the form of sharply higher layoffs and rising unemployment.”



• Economic Update – Federal Reserve Cuts Interest Rates

- The Federal Reserve cut interest rates by a quarter percentage point:
9/17/2025
 - First Reduction of 2025.
 - Projected two more cuts for the rest of the year.
 - “Assessing impacts of tariffs on the economy.”
 - “Job gains have slowed” (Cooling labor market).
 - “Unemployment rate has edged up but remains low.”
 - Fed predictions:
 - Inflation: 3.1%
 - Real GDP upgraded to 1.6% vs 1.4 % for 2025.
 - Unemployment rate: 4.5% vs 4.3%.



Thank you!



Pictures from the USDB School Visit

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