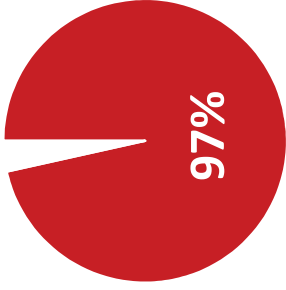


The Revenue-Neutral Proposal to Restore the Full Sales Tax on Food and Reduce the Overall Sales Tax Rate: WHO WINS AND WHO LOSES?

Quintile analysis of a \$200 million sales tax swap		Lowest Quintile (Income <\$25,000)	2 nd Quintile (Income \$25,000-\$43,000)	3 rd Quintile (Income \$43,000-\$70,000)	4 th Quintile (Income \$70,000-\$111,000)	Highest Quintile (Income >\$111,000)
Increase the Sales Tax on Food from 1.75% to 4.7%	Average Tax Increase	+\$68	+\$117	+\$157	+\$197	+\$265
Cut the Overall Sales Tax Rate from 4.7% to 4.3%	Average Tax Cut	-\$48	-\$99	-\$128	-\$170	-\$253
NET TAX CHANGE FOR UTAH RESIDENTS		+\$20	+\$18	+\$29	+\$26	+\$11*

* The net result only becomes a net tax reduction for Utah residents with incomes above ~\$500,000

When you raise the food sales tax, what percent of the increase is paid by Utah residents?



When you reduce the overall sales tax rate, what percent of the cut goes to Utah residents?



Net effect:
\$40 million
TAX SHIFT
The tax burden is shifted off of visitors and onto Utahns