



Group Claims Utahns Pay 4th Largest Tax Burden
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SALT LAKE CITY (AP) -- The state and local tax burden in Utah is the fourth-largest in the nation, greater than any time in a 10-year period, ending in 2004, according to a study done by the business-backed Utah Taxpayers Association.

On average, Utahns paid 15.32 percent of their personal income to state and local governments and taxing entities in fiscal year 2004, the largest increase since 1994, the association said. The national average was 13.82 percent.

The 2004 data are the latest available tax revenue year for the country. They do not include recent tax cuts that were made, said Mike Jerman, the association's vice president.

The study supports the position of many state lawmakers who wanted tax cuts in this year's legislative session, said Senate President John Valentine, R-Orem.

"The tax burden is one reason we wanted significant tax cuts in the 2006 Legislature," Valentine said Thursday.

Lawmakers approved halving the state's share of the sales tax on unprepared food and also reduced some business taxes.

Republican lawmakers wanted Huntsman to give a small-rate reduction in the current state income tax rate, which for most Utah residents, is 7 percent. But Huntsman wants a reduction to about 5 percent.

The income tax reduction plan stalled though in the final hours of the legislative session, which ended March 1. A subsequent plan to make income tax changes during a spring special session was scuttled when it was discovered that the state Tax Commission had made erroneous calculations, raising the cost of the tax cuts to \$200 million from the original \$70 million.

The state ranked 38th in the property tax burden. For years, state officials have said the state's property taxes are relatively low when measured against those in other states.

But Utah ranked 51st in the nation (including Washington, D.C.) in per-student spending in public schools, and the property tax is one of the main tax sources for local education.

On the Net: Utah Taxpayers Association, <http://www.utahtaxpayers.org>

Information from: Desert Morning News, <http://www.deseretnews.com>

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