

# Truth About the \$160M Tax Cut

Have you been asked to sign a referendum opposing the recent tax cut bill? Even though recent legislation includes an increase in the sales tax on food and gas, **nearly 90% of Utahns will receive a substantial tax cut.** Before you sign, here are the facts:

## Offers \$500 tax credit for groceries for a family of four

A household of four making \$70,000 or less will receive a \$125 credit per person for up to four people. Larger families will receive \$50 for each additional person. This covers the increased tax on food and gas. In addition to this ongoing tax credit, in 2020, low- and moderate-income households will receive a check in advance so they have money in their pockets to cover the increased tax. The state will automatically send these checks. No paperwork is required.

## Provides rebates to families with dependents

Low- and moderate-income families will be able to claim \$2,500 per dependent on state taxes, up to a total of \$10,000. This helps families who were hurt by federal tax reform. Those who had dependents on their 2018 taxes may also receive a rebate check in the mail.

## Helps end intergenerational poverty

An additional Earned Income Tax Credit (EITC) is available for people experiencing intergenerational poverty.

## Puts \$510 back in your pocket

A family of four could see more than a \$510 total tax reduction per year.

## Eliminates the state tax on Social Security

Social Security income will receive a state income tax credit. That means you will keep more of what you receive in your Social Security check. See what AARP says [here](#).

## Reduces taxes by \$160M

Tax reform will give back \$160 million to Utahns each year.

## Nearly 90% of Utahns will Receive a Net Tax Cut

### ADDITIONAL BENEFITS

## Increases funding available to public schools

Tax reform funds higher education with sales tax. Because higher education was previously funded with income tax, more income tax funding will be available for K-12. Current budget proposals include increases in overall education funding and no increase in state property taxes.

## Stabilizes and enhances social services

Increased sales tax revenue provides for essential social services, such as mental health, homeless services, Medicaid, air quality, housing, transportation and public education.

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