

Utah

From 2002 to 2008, Utah's spending increased the most in the hospitals (67%), salaries and wages (63%), and health (60%) categories. The spending categories that saw the least growth were parks and recreation (10%) and natural resources (4%). On a per capita basis, Utah's welfare spending remained among the lowest in the nation (49th) in 2008. The state's overall general spending increase of 42% was a bit above the state average, ranking 20th-highest.

Utah's total overall revenue growth of 80% ranked sixth for the period, and its total tax revenue growth of 51% ranked 12th. Corporate income taxes were the fastest growing tax revenue category, increasing 256%, one of the biggest rises in the nation (ranking sixth-highest). Personal income tax revenue also grew significantly at 62%, ranking 10th.

Spending (Spending and revenue numbers are in thousands of dollars)	2002	2002 Per Capita Rank	2008	2008 Per Capita Rank	Difference in Rank	2002–2008 Increase/Decrease	2002–2008 Increase/Decrease Rank
Corrections	267,607	31	332,828	41	-10	24%	32
Education	4,327,496	5	6,036,050	10	-5	39%	28
Government Administration	463,112	12	712,868	10	+2	54%	13
Health	239,515	37	383,324	34	+3	60%	10
Highways	856,014	18	1,061,364	24	-6	24%	21
Hospitals	493,631	10	823,297	11	-1	67%	14
Interest on Debt	187,591	32	275,837	38	-6	47%	20
Natural Resources	178,944	23	185,613	30	-7	4%	41
Parks and Recreation	59,692	19	65,910	21	-2	10%	28
Police Protection	103,937	18	129,182	20	-2	24%	29
Public Welfare	1,580,580	48	2,203,414	49	-1	39%	28
Salaries and Wages	1,500,634	25	2,449,264	20	+5	63%	6
Direct Expenditures	6,971,654	19	9,916,600	23	-4	42%	17
General Expenditures	9,142,538	24	12,966,773	33	-9	42%	20
Total Expenditures	10,107,055	27	14,293,669	34	-7	41%	17
Taxes (Spending and revenue numbers are in thousands of dollars)	2002	2002 Per Capita Rank	2008	2008 Per Capita Rank	Difference in Rank	2002–2008 Increase/Decrease	2002–2008 Increase/Decrease Rank
Personal Income Tax ¹	1,605,310	19	2,593,129	21	-2	62%	10
General Sales Tax ²	1,500,278	21	1,964,119	27	-6	31%	25
Corporate Income Tax ³	110,989	38	394,638	21	+17	256%	6
Total Taxes	3,925,382	33	5,944,879	38	-5	51%	12
Total Revenue	8,467,827	33	15,243,424	22	+11	80%	6

¹ Personal income tax per capita rankings are out of 43 since seven states do not collect personal income taxes.

² General sales tax per capita rankings are out of 45 since five states do not collect general sales taxes.

³ Corporate income tax per capita rankings are out of 46 since four states do not collect corporate income taxes.

Comparison to Baseline Growth

One sound rule of thumb is that government expenditures should not increase more than the combined increase in population and inflation growth. This allows the government to maintain service levels and accommodate increased costs due to an expanding population and rises in the cost of living. For the 2002–2008 period, the Consumer Price Index, used to measure inflation, increased approximately 20% and Utah’s population increased by 18%. This yields a “baseline” growth of 38% for the period. The figure below compares the difference in Utah’s expenditures and revenue for the period to this baseline for 15 spending and five revenue categories.

