



Testimony

TO: Utah House Committee on Revenue and Taxation
FROM: Judith (Hudy) Rosenberg, Deputy Director of State Government Affairs,
American Fintech Council (AFC)
DATE: January 29th, 2026
SUBJECT: HB 141

Position: Oppose

Testimony:

Good afternoon, Chair Eliason and members of the House Revenue and Taxation Committee. My name is Hudy Rosenberg, and I serve as the Deputy Director of State Government Affairs for the American Fintech Council (AFC). Thank you for providing me with the opportunity to testify in opposition to HB 141 today.

A standards-based organization, AFC is the largest trade association representing financial technology (fintech) companies and innovative banks. Our mission is to promote a transparent, inclusive, and customer-centric financial system by supporting responsible innovation in financial services and encouraging sound public policy. Our members are lowering the cost of financial transactions, allowing them to help meet demand for high-quality, affordable products. Specifically, payments providers specializing in cross-border transfers play a critical role in the financial lives of millions of Americans, offering fast, affordable, and transparent alternatives to traditional international wire services. These companies increase competition, lower costs, and expand access to secure, regulated payment options, particularly for immigrant and underserved communities who rely on remittances to support family members abroad.

The inclusion of a tax on remittances and cross-border payments in the Bill would have harmful unintended consequences for the existing regulatory framework, local businesses, and ultimately for the citizens of Utah.

AFC proactively engages with state and federal financial services regulators to improve their understanding of innovative financial products and services. The patchwork approach to remittance regulation exacerbated by this bill creates a substantial compliance burden for responsible providers, without improving consumer outcomes or enforcement clarity.

The state remittance tax proposed in this bill duplicates the existing federal 1% tax under OBBBA, and would burden both consumers and financial institutions.

The addition of state remittance taxes adds cost, reduces transparency, and ultimately pushes these transactions underground. Keeping remittances in the regulated financial system ensures oversight through robust AML, KYC, and sanctions-screening standards. State remittance taxes raise costs for lawful senders, discourage use of licensed providers, and push transfers into unregulated or informal channels — reducing oversight and increasing risk, the opposite of what policymakers intend.

According to research, every additional 1% in fees reduces formal remittance volume by around 1.6 percent. In other words, layering a 3% state tax on top of the new 1% federal levy could shrink the formal, traceable remittance market by about 6 to 7 percent, shifting millions of dollars toward unregulated alternatives.

Given the above concerns, AFC respectfully opposes the legislation and requests the Legislature reject HB 141

Thank you again for the opportunity to raise our concerns and oppose this bill.