



Testimony

TO: Utah House Committee on Revenue and Taxation

FROM: Eric W. Taylor, Jr., Director of Policy and Regulatory Affairs, American Fintech Council (AFC)

DATE: June 17, 2026

SUBJECT: HB 141

Position: Oppose

Testimony:

Good afternoon, Chair Eliason and members of the House Revenue and Taxation Committee. My name is Eric Taylor, and I currently serve as the Director of Policy and Regulatory Affairs for the American Fintech Council (AFC). It is a pleasure to testify in this forum today and to underscore with sufficient detail our opposition of HB 141.

A standards-based organization, AFC is the largest trade association representing financial technology (fintech) companies and innovative banks. Our mission is clear; 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 inevitably initiate harmful and 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 fragmented approach to remittance regulation exacerbated by this bill would create 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 (One, Big, Beautiful Bill Act), and would burden both consumers and financial institutions.

The addition of state remittance taxes adds cost, reduces transparency, and ultimately pushes these transactions underground into unregulated channels with weakened supervisory oversight and tenuous law enforcement efficacy. Keeping remittances in the regulated financial system ensures oversight through robust BSA, AML, KYC, and sanctions-screening standards. Additionally, state remittance taxes raise costs for lawful senders and would effectively serve as a regressive tax on cohorts of individuals who already feel the disproportionate ramifications of economic instability. This outcome achieves the exact 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.