

FISCAL NOTE

	FY 2025	FY 2026	FY 2027
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue decrease			
SCHOOL FOUNDATION FUND (12 mills)	\$0	(\$1,860,000)	(\$1,920,000)
AD VALOREM TAX (local taxing entities)	\$0	(\$4,000,000)	(\$4,120,000)

	FY 2025	FY 2026	FY 2027
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
SCHOOL FOUNDATION FUND (31 mills)	\$0	\$4,810,000	\$4,950,000

Source of revenue decrease and expenditure increase:

This bill provides an exemption of 50 percent of the assessed value of residential property, including up to one acre of land, used as a primary residence if the owner or the owner’s spouse is at least 65 years old and the owner or the owner’s spouse has paid residential property tax in Wyoming for at least 30 years. The bill is effective January 1, 2025, reducing property taxes beginning in tax year 2025 (paid in FY 2026). The estimated decreases in property tax revenues from the statewide 12 mill levy to the School Foundation Program (SFP) and to other local taxing entities are provided in the above table.

The SFP will experience both an entitlement expenditure increase and a recapture revenue decrease from the decrease in K-12 school district local revenues attributable to the 31 mills. The estimated impact from the revenue decrease attributable to the 31 mills is shown above as an expenditure increase from the SFP.

Assumptions:

The above estimates are based on tax year 2023 residential assessed values and 2023 mill levies by tax district. The tax year 2023 residential assessed values are adjusted by the forecast growth in the assessed value of non-mineral property found in Table 9 of the October 2023 Consensus Revenue Estimating Group report. Owner-occupancy rates by county and the qualifying proportion of households are estimated from Census data.

Based on the information above, this bill would decrease residential property taxes by approximately \$10.67 million in tax year 2025 (FY 2026) and approximately \$10.99 million in tax year 2026 (FY 2027). Of the estimated total impact, the decreased revenue from the 43 mills supporting the SFP is approximately \$6.67 million in tax year 2025 (FY 2026) and approximately \$6.87 million in tax year 2026 (FY 2027).

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