

## HOUSE BILL NO. HB0066

Lodging tax.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to sales tax; imposing a statewide tax on  
2 sales of lodging services; providing for distribution of the  
3 tax collected; revising the local optional lodging tax;  
4 repealing conflicting provisions; repealing the lodging tax  
5 exemption for outfitters and guides; creating the Wyoming  
6 tourism account; providing for implementation of the new tax;  
7 and providing for an effective date.

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9 *Be It Enacted by the Legislature of the State of Wyoming:*

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11 **Section 1.** W.S. 39-15-104 by creating a new subsection  
12 (h), 39-15-111(b)(intro) and by creating a new subsection  
13 (p), 39-15-204(a)(ii) and 39-15-211(a)(ii)(B)(I),  
14 (III)(intro) and (E) through (G) are amended to read:

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16 **39-15-104. Taxation rate.**

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2 (h) In addition to the sales tax under subsections (a)  
3 and (b) of this section there is imposed a tax upon the sale  
4 of lodging services of five percent (5%) as follows:

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6 (i) Three percent (3%) to be distributed as  
7 provided in W.S. 39-15-111(p)(i); and

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9 (ii) Two percent (2%) to be distributed as  
10 provided in W.S. 39-15-111(p)(ii).

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12 **39-15-111. Distribution.**

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14 (b) Revenues earned under W.S. 39-15-104 during each  
15 fiscal year shall be recognized as revenue during that fiscal  
16 year for accounting purposes. Except as otherwise provided in  
17 subsection (p) of this section, for all revenue collected by  
18 the department under W.S. 39-15-104 the department shall:

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20 (p) All revenue collected by the department under W.S.  
21 39-15-104(h) shall be distributed as follows:

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1           (i) The department shall credit the revenue  
2 collected under W.S. 39-15-104(h)(i) as follows:

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4           (A) Eighty percent (80%) of the average  
5 annual revenue collected under this subsection during the  
6 immediately preceding five (5) years shall be deposited each  
7 year in the Wyoming tourism account, which is hereby created.  
8 No funds shall be expended from the account until appropriated  
9 by the legislature. Funds in the account shall be used for  
10 the operation of the Wyoming tourism board and the Wyoming  
11 office of tourism;

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13           (B) Any amount of revenue that exceeds the  
14 amount determined under subparagraph (A) of this paragraph  
15 shall be deposited as provided in this subparagraph. Revenue  
16 under this subparagraph shall first be transferred to the  
17 Wyoming tourism reserve and projects account, which is hereby  
18 created. No funds shall be expended from the account until  
19 appropriated by the legislature. When the account contains  
20 fifty percent (50%) of the most recent amount determined under  
21 subparagraph (A) of this paragraph, additional funds under  
22 this subparagraph shall be deposited in the school foundation  
23 program account.

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(ii) The revenue collected under W.S. 39-15-104(h)(ii) shall be distributed to each county on a monthly basis in proportionate shares determined by the amount of taxes collected within the county and its municipalities under W.S. 39-15-104(h)(ii) in relation to the entire tax collected under W.S. 39-15-104(h)(ii), to be distributed as follows:

(A) If the county imposes a countywide lodging tax under W.S. 39-15-204(a)(ii), the revenue shall be distributed in the same manner as taxes collected under that paragraph are distributed under W.S. 39-15-211(a)(ii)(B) through (E);

(B) If the county has not imposed a countywide lodging tax under W.S. 39-15-204(a)(ii), the revenue shall be distributed as follows:

(I) If no city or town in the county has imposed a lodging tax under W.S. 39-15-204(a)(ii), the revenue shall be distributed to the county to be expended as provided in W.S. 39-15-211(a)(ii)(B);

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**39-15-204. Taxation rate.**

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(II) If any city or town in the county has imposed a lodging tax under W.S. 39-15-204(a)(ii), revenue equal to the amount of the tax imposed by the city or town shall be distributed to the city or town to be used as provided in W.S. 39-15-211(a)(ii)(B) through (E). The remainder shall be distributed to the county to be expended as provided in W.S. 39-15-211(a)(ii)(B).

(a) In addition to the state tax imposed under W.S. 39-15-101 through 39-15-111 any county of the state may impose the following excise taxes and any city or town may impose the tax authorized by paragraph (ii) of this subsection and any resort district may impose the tax authorized by paragraph (v) of this subsection:

(ii) An excise tax at a rate in increments of one percent (1%) not to exceed a rate of ~~four percent (4%)~~ two percent (2%) upon the sales price paid for lodging services as defined under W.S. 39-15-101(a)(i), the primary purpose of which is for local travel and tourism promotion;

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2           **39-15-211. Distribution.**

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4           (a) For all revenue collected by the department from  
5 the taxes imposed under W.S. 39-15-204(a)(i), (ii), (v) and  
6 (vi) the department shall:

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8                   (ii) For revenues collected under W.S.  
9 39-15-204(a)(ii):

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11                           (B) Except as provided in subparagraph  
12 (a)(ii)(C) of this section, distribute the balance on a  
13 monthly basis to the treasurer of each county, city or town  
14 imposing the tax in an amount equal to the amount collected  
15 in each entity less the costs of collection as provided by  
16 subparagraph (a)(ii)(A) of this section. Amounts distributed  
17 under this subparagraph shall be used for the following  
18 purposes:

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20                                   (I) Except as provided by subdivision  
21 (III) of this subparagraph, at least ninety percent (90%) of  
22 the amount distributed shall be used to promote travel and  
23 tourism within the county, city or town imposing the tax.

1 Expenditures for travel and tourism promotion shall be  
2 limited to promotional materials, television and radio  
3 advertising, printed advertising, promotion of tours, staging  
4 of events, educational materials, and other specific tourism  
5 related objectives, including those identified as likely to  
6 facilitate tourism or enhance the visitor experience,  
7 provided that none of these funds shall be spent for capital  
8 construction or improvements and not more than forty thousand  
9 dollars (\$40,000.00) of these funds shall be spent for  
10 purposes of matching state general funds under the matching  
11 funds program administered by the Wyoming business council.  
12 If the amount is collected under a tax imposed countywide,  
13 expenditures of this amount shall be made in accordance with  
14 the Uniform Municipal Fiscal Procedures Act by a joint powers  
15 board established pursuant to law by the county and a majority  
16 of incorporated municipalities within the county. Membership  
17 of the board shall include at least one (1) representative  
18 appointed by each governmental entity made a party to the  
19 agreement and the majority of the board membership shall be  
20 comprised of representatives of the travel and tourism  
21 industry;

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1 (III) If the conditions specified in  
2 subparagraphs ~~(D)-(E)~~ through (G) of this paragraph are met,  
3 the amount collected less the cost of collection as provided  
4 by subparagraph (a)(ii)(A) of this section shall be  
5 distributed as follows:

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7 (E) Beginning July 1, 1999, and adjusted  
8 annually for the percentage increase in the Wyoming  
9 cost-of-living index for the previous fiscal year as  
10 determined by the division of economic analysis of the  
11 department of administration and information, when lodging  
12 tax revenues including revenues distributed under W.S.  
13 39-15-111(p)(ii) collected for each of the preceding three  
14 (3) fiscal years exceed one million dollars (\$1,000,000.00),  
15 or if no lodging tax was imposed in any of the three (3)  
16 preceding fiscal years but, based upon sales tax collection  
17 records provided by the department of revenue, it can  
18 reasonably be presumed that at least one million dollars  
19 (\$1,000,000.00) in lodging tax may be collected annually in  
20 each county, city or town ~~imposing with~~ a lodging tax ~~at more~~  
21 ~~than one percent (1%) but not more than of~~ two percent (2%)  
22 pursuant to W.S. 39-15-104(h)(ii), the amount collected shall



1 be distributed as provided in subdivision (a)(ii)(B)(III) of  
2 this section;

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4 (F) Beginning July 1, 1999, and adjusted  
5 annually for the percentage increase in the Wyoming  
6 cost-of-living index for the previous fiscal year as  
7 determined by the division of economic analysis of the  
8 department of administration and information, when lodging  
9 tax revenues including revenues distributed under W.S.  
10 39-15-111(p)(ii) collected for each of the preceding three  
11 (3) fiscal years exceed one million five hundred thousand  
12 dollars (\$1,500,000.00), or if no lodging tax was imposed in  
13 any of the three (3) preceding fiscal years but, based upon  
14 sales tax collection records provided by the department of  
15 revenue, it can reasonably be presumed that at least one  
16 million five hundred thousand dollars (\$1,500,000.00) in  
17 lodging tax may be collected annually in each county, city or  
18 town imposing a lodging tax ~~at more than two percent (2%) but~~  
19 ~~not more than three percent (3%)~~ of two percent (2%) pursuant  
20 to W.S. 39-15-104(h)(ii) plus one percent (1%) pursuant to  
21 W.S. 39-15-204(a)(ii), the amount collected shall be  
22 distributed as provided in subdivision (a)(ii)(B)(III) of  
23 this section;

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2 (G) Beginning July 1, 1999, and adjusted  
3 annually for the percentage increase in the Wyoming  
4 cost-of-living index for the previous fiscal year as  
5 determined by the division of economic analysis of the  
6 department of administration and information, when lodging  
7 tax revenues including revenues distributed under W.S.  
8 39-15-111(p)(ii) collected for each of the preceding three  
9 (3) fiscal years exceed two million dollars (\$2,000,000.00),  
10 or if no lodging tax was imposed in any of the three (3)  
11 preceding fiscal years but, based upon sales tax collection  
12 records provided by the department of revenue, it can  
13 reasonably be presumed that at least two million dollars  
14 (\$2,000,000.00) in lodging tax may be collected annually in  
15 each county, city or town imposing a lodging tax ~~at more than~~  
16 ~~three percent (3%) but not more than four percent (4%) of two~~  
17 percent (2%) pursuant to W.S. 39-15-104(h)(ii) plus two  
18 percent (2%) pursuant to W.S. 39-15-204(a)(ii), the amount  
19 collected shall be distributed as provided in subdivision  
20 (a)(ii)(B)(III) of this section.

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22 **Section 2.** W.S. 39-15-105(a)(viii)(G) and  
23 39-15-211(a)(ii)(D) are repealed.

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2           **Section 3.**

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4           (a) If any city, town or county has in place a lodging  
5 tax under W.S. 39-15-204(a)(ii) as of January 1, 2020, the  
6 current rate of the tax shall continue until the next general  
7 election at which the tax is considered as provided in W.S.  
8 39-14-203(a)(ii)(D). No lodging tax imposed under W.S.  
9 39-15-204(a)(ii) in excess of two percent (2%) shall be  
10 continued pursuant to an election under W.S.  
11 39-14-203(a)(ii)(D) after the effective date of this act. The  
12 proposition to continue any lodging tax under W.S.  
13 39-15-204(a)(ii) in excess of two percent (2%) at the next  
14 election following the effective date of this act shall be  
15 presented on the ballot as "for or against the (county, city  
16 or town) (one percent (1%) or two percent (2%)) lodging tax."

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18           (b) Notwithstanding W.S. 39-15-104(h)(ii) as created by  
19 section 1 of this act, the two percent (2%) lodging tax under  
20 W.S. 39-15-104(h)(ii) shall be imposed as follows:

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22           (i) If the county has in place a countywide  
23 lodging tax under W.S. 39-15-204(a)(ii) as of January 1, 2020,

1 the two percent (2%) lodging tax shall be effective in that  
2 county on the date of the next general election at which the  
3 tax is considered as provided in W.S. 39-14-203(a)(ii)(D),  
4 subject to subsection (a) of this section;

5  
6 (ii) If a county does not have a countywide  
7 lodging tax in place, the two percent (2%) lodging tax shall  
8 be effective in that county on the effective date of this  
9 act, provided that if any city or town in the county has  
10 imposed a lodging tax under W.S. 39-15-204(a)(ii), the two  
11 percent (2%) lodging tax shall not be effective within the  
12 boundaries of the city or town until the date of the next  
13 general election at which the tax is considered as provided  
14 in W.S. 39-14-203(a)(ii)(D), subject to subsection (a) of  
15 this section.

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17 **Section 4.** This act is effective January 1, 2020.

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(END)