

ENROLLED ACT NO. 59, HOUSE OF REPRESENTATIVES

SIXTY-FIFTH LEGISLATURE OF THE STATE OF WYOMING
2019 GENERAL SESSION

AN ACT relating to sales and use tax; providing an exemption from sales and use taxes for broadband internet service infrastructure as specified; requiring reports; specifying a sunset date; and providing for an effective date.

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

Section 1. W.S. 39-15-105(a)(viii) by creating a new subparagraph (U) and (b)(intro) and 39-16-105(a)(viii) by creating a new subparagraph (K) and (b)(intro) are amended to read:

39-15-105. Exemptions.

(a) The following sales or leases are exempt from the excise tax imposed by this article:

(viii) For the purpose of exempting sales of services and tangible personal property as an economic incentive, the following are exempt:

(U) Sales of equipment to a telecommunications service provider, video programming service provider or provider of internet access used to provide broadband internet service in an unserved area. The following shall apply:

(I) A telecommunications service provider, video programming service provider or provider of internet access may allocate the sales price of equipment using any reasonable method, instead of specific geographic accounting, if the method is consistently used by the provider and supported by verifiable data that reasonably reflects the location where the equipment is used;

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(II) As used in this subparagraph:

(1) "Broadband internet service" means high speed internet access that in residential areas is capable of download speeds of at least twenty-five (25) megabits per second and upload speeds of at least three (3) megabits per second or, in business corridors, as defined by rule of the Wyoming business council under W.S. 9-12-1501(g), is capable of download speeds of at least one (1) gigabit per second and upload speeds of at least one hundred (100) megabits per second;

(2) "Equipment" means tangible objects which are integral to the broadband internet service infrastructure of a telecommunications service provider, video programming service provider or provider of internet access and shall exclude equipment sold or leased to a customer of a provider;

(3) "Provider of internet access" means a person, or any agent, contractor or subcontractor of the person, who in the course of business, provides a service that enables users to access content, information, electronic mail or other services offered over the internet and may also include access to proprietary content, information and other services as part of a package of services offered to consumers and does not include telecommunications services, except to the extent such services are purchased, used or sold by a provider of internet access to provide internet access;

(4) "Telecommunications service provider" means a person, or any agent, contractor or subcontractor of the person, who in the course of business, provides telecommunications services, as defined in W.S. 39-15-101(a)(xxxix)(U);

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(5) "Video programming service provider" means a person, or any agent, contractor or subcontractor of the person, who in the course of business, provides programming from, or comparable to, a television broadcast station, including cable service as defined in 47 U.S.C. § 522(6);

(6) "Unserved area" means as defined in W.S. 9-12-1501(e).

(III) This subparagraph is repealed effective July 1, 2024.

(b) The Wyoming business council, the department of workforce services and the department of revenue shall jointly report to the joint revenue interim committee on or before December 1 of each year that the exemption provided by subparagraph (a)(viii)(O), (Q), (R), ~~or (S)~~ or (U) of this section is in effect. If requested by the department of revenue, any person utilizing the exemption under subparagraph (a)(viii)(O) of this section shall report to the department the amount of sales tax exempted, and the number of jobs created or impacted by the utilization of the exemption. The report shall evaluate the cumulative effects of each exemption that is in effect from initiation of the exemption and shall include:

39-16-105. Exemptions.

(a) The following purchases or leases are exempt from the excise tax imposed by this article:

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(viii) For the purpose of exempting sales of services and tangible personal property as an economic incentive, the following are exempt:

(K) Purchases of equipment by a telecommunications service provider, video programming service provider or provider of internet access used to provide broadband internet service in an unserved area. A telecommunications service provider, video programming service provider or provider of internet access may allocate the purchase price of equipment using any reasonable method, instead of specific geographic accounting, if the method is consistently used by the provider and supported by verifiable data that reasonably reflects the location where the equipment is used. The definitions in W.S. 39-15-105(a)(viii)(U)(II) shall apply to this subparagraph. This subparagraph is repealed effective July 1, 2024.

(b) The Wyoming business council and the department of revenue shall jointly report to the joint revenue interim committee on or before December 1 of each year that the exemption provided by subparagraph (a)(viii)(D), (F), (G), ~~or~~ (H) or (K) of this section is in effect. If requested by the department of revenue, any person utilizing the exemption under subparagraph (a)(viii)(D) of this section shall report to the department the amount of use tax exempted, and the number of jobs created or impacted by the utilization of the exemption. The report shall evaluate the cumulative effects of each exemption that is in effect from initiation of the exemption and shall include:

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Section 2. This act is effective July 1, 2019.

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the House.

Chief Clerk