

ENROLLED ACT NO. 55, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2023 GENERAL SESSION

AN ACT relating to property tax; requiring a study on the changes necessary to convert the property tax system to a system based on the acquisition value of the property; requiring a report; requiring the joint revenue interim committee to review the report; providing an appropriation; and providing for an effective date.

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

Section 1.

(a) The department of revenue shall contract with an outside consultant to conduct a study on the statutory, regulatory and procedural changes necessary to convert Wyoming's residential property tax system to a system based on the acquisition value of the property. The consultant shall consult with interested stakeholders on the study required by this section. When considering each question, the study under this section shall review other states that have implemented a property tax system based on the acquisition value of the property. The study shall include at least three (3) options for implementing a property tax system in Wyoming based on the acquisition value of the property. For each of the options the following factors are recommended to be considered:

(i) A review of the revenue impacts of changing to acquisition value including how those revenue impacts may vary across the state;

(ii) How to implement a property tax system based on acquisition value into the property tax calendar and a determination of what assessment date would apply to the property;

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(iii) What type of residential property would be subject to valuation using acquisition value;

(iv) How the inflationary factor would be implemented and applied including recommendations for the inflationary rate and whether there would be any deflation of values in a period when prices are in decline;

(v) What types of sales would be considered or excluded in determining acquisition value and how to address erroneous sales or other types of sales or transfers that are excluded from determining acquisition value;

(vi) How to determine the acquisition value of residences located on agricultural property;

(vii) How changes to property would be handled, including new construction and renovation;

(viii) How acquisition value would interact with department of revenue and state board of equalization statistical analysis;

(ix) Whether the implementation of a property tax system based on the acquisition value of property would result in any inequities to taxpayers, including whether taxpayers who purchase their properties more recently than other taxpayers would be required to pay more in property tax to make up lost revenue resulting from an acquisition value system;

(x) A review of other states that have implemented property tax systems based on the acquisition value of the property and whether those systems have

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resulted in inequities among taxpayers depending on the purchase date of their property.

(b) The department shall report the results of the study to the joint revenue interim committee not later than September 1, 2023.

(c) The joint revenue interim committee shall review the study required under this section and may prepare for the 2025 general session of the legislature any legislation it deems advisable related to the transition of Wyoming's property tax system to a system based on the acquisition value of property.

(d) As used in this section, "acquisition value" means the purchase price paid for the acquisition of property.

Section 2. There is appropriated fifty thousand dollars (\$50,000.00) from the general fund to the department of revenue for the purpose of hiring a consultant to conduct the study required under section 1 of this act. This appropriation shall be for the period beginning with the effective date of this act and ending June 30, 2024. This appropriation shall not be transferred or expended for any other purpose and any unexpended, unobligated funds remaining from this appropriation shall revert as provided by law on June 30, 2024. It is the intent of the legislature that this appropriation not be included in the department's standard budget for the immediately succeeding fiscal biennium.

ORIGINAL HOUSE
BILL NO. HB0100

ENGROSSED

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Section 3. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(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