

HOUSE BILL NO. HB0125

Local option tax-municipalities.

Sponsored by: Representative(s) Miller, Blake, Krone and
Larsen and Senator(s) Case and Coe

A BILL

for

1 AN ACT relating to taxation and revenue; authorizing a
2 municipal sales and use tax as specified; providing
3 procedures; amending related provisions; and providing for
4 an effective date.

5

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

7

8 **Section 1.** W.S. 39-15-203(a) by creating a new
9 paragraph (vi), 39-15-204(a)(intro), (iii), (iv) and by
10 creating a new paragraph (vii), 39-15-211 by creating a new
11 subsection (d), 39-16-203(a) by creating a new paragraph
12 (v), 39-16-204(a)(intro), (ii), (iii) and by creating a new
13 paragraph (vi) and 39-16-211 by creating a new subsection
14 (d) are amended to read:

15

16 **39-15-203. Imposition.**

1

2 (a) Taxable event. The following shall apply:

3

4 (vi) The following provisions apply to
5 imposition of the municipal specific purpose excise tax
6 under W.S. 39-15-204(a)(vii):

7

8 (A) Any incorporated municipality located
9 in a county wherein no incorporated municipality contains
10 more than fifty percent (50%) of the population of the
11 county may impose a specific purpose excise tax as
12 authorized by W.S. 39-15-204(a)(vii). Population figures
13 shall be based upon the official ten (10) year federal
14 census preceding the time of election. Population figures
15 based upon the official census may be periodically revised
16 by a state population estimate not later than five (5)
17 years following the federal census publication date. If a
18 county has currently imposed a specific purpose excise tax
19 as authorized by W.S. 39-15-204(a)(iii), an incorporated
20 municipality may still impose a municipal specific purpose
21 excise tax in the amount authorized by W.S.
22 39-15-204(a)(vii);

23

1 (B) The revenue from the tax shall be used
2 in a specified amount for specific purposes authorized by
3 the qualified electors. Specific purposes shall not include
4 ordinary operations of local government except those
5 operations related to a specific project;

6
7 (C) No tax shall be imposed under this
8 paragraph until the proposition to impose the tax for
9 specific purposes in specific amounts is approved by the
10 vote of the majority of the qualified electors voting on
11 the proposition. The amount of revenue to be collected and
12 the purpose or purposes for which it is proposed to be used
13 shall be specified in the proposition. The election shall
14 be held in accordance with W.S. 22-21-101 through
15 22-21-112. Any debt created may also be repaid, in whole or
16 in part, by a property tax levy if general obligation bonds
17 are authorized by the electors. Any excise tax imposed
18 under this subsection shall commence as provided by W.S.
19 39-15-207(c) following the election approving the
20 imposition of the tax, except that it shall commence on the
21 first day of any subsequent month following the receipt of
22 tax funds in the approved amount by any tax previously
23 imposed under this subsection as provided by subparagraph
24 (E) of this paragraph. Unless terminated earlier by the

1 sponsoring entities pursuant to subparagraph (G) of this
2 paragraph, the tax shall terminate as provided by W.S.
3 39-15-207(c) when the amount approved by the electors is
4 collected;

5
6 (D) No debt may be incurred or approved
7 which when added to the existing indebtedness of the
8 sponsoring entity or entities, would exceed the
9 constitutional debt limitation of the sponsoring entity or
10 entities. However, nothing herein prohibits the approval of
11 a proposition which establishes a fund for accumulation of
12 funds sufficient to carry out the purpose approved or to
13 pay a sufficient amount of the cost so as to bring the
14 remainder of the debt within the debt limitation of the
15 sponsoring entity or entities;

16
17 (E) Upon certification of the election
18 results by the municipality, the municipality shall, within
19 ten (10) days, notify the department of revenue of the
20 requirement for imposition of any tax under this paragraph
21 and shall, upon the receipt of all tax funds in the amount
22 approved, notify the department of revenue that the special
23 sales tax levy is terminated. The department of revenue
24 shall, upon notification, inform all holders of sales tax

1 licenses within the municipality of the requirement for the
2 collection and payment of the additional tax. After receipt
3 of notice that the amount has been collected or that the
4 sponsoring entities have terminated the tax pursuant to
5 subparagraph (G) of this paragraph, the department shall
6 notify the license holders of the termination of the tax;

7
8 (F) The first municipality imposing the tax
9 provided by this paragraph shall be responsible for payment
10 of costs incurred by the department to initially set up
11 computer records and support systems for administration of
12 this tax. These costs shall be withheld by the state
13 treasurer from the proceeds to be distributed pursuant to
14 the preceding paragraph until such costs are fully
15 recovered;

16
17 (G) The sponsoring entities may agree to
18 terminate the tax if the tax collected reaches the actual
19 cost of the completed projects and the amount specified in
20 the proposition exceeds the actual cost of the completed
21 projects. The sponsoring entities shall inform the
22 department of revenue and the county treasurer that the tax
23 is terminated.

24

1 **39-15-204. Taxation rate.**

2

3 (a) In addition to the state tax imposed under W.S.
4 39-15-101 through 39-15-111 any county of the state may
5 impose the following excise taxes and any city or town may
6 impose the tax authorized by ~~paragraph~~ paragraphs (ii) and
7 (vii) of this subsection and any resort district may impose
8 the tax authorized by paragraph (v) of this subsection:

9

10 (iii) An excise tax not to exceed two percent
11 (2%) upon retail sales of tangible personal property,
12 admissions and services made within the county. The total
13 excise tax imposed within any county under this paragraph
14 shall not exceed two percent (2%). If an incorporated
15 municipality has previously imposed a tax under paragraph
16 (vii) of this subsection, the rate of the tax imposed under
17 this paragraph within the boundaries of the municipality
18 shall be reduced by the rate imposed under paragraph (vii)
19 of this subsection so that the total rate of tax within the
20 boundaries of the municipality does not exceed two percent
21 (2%). The revenue from the tax shall be used in a specified
22 amount for specific purposes authorized by the qualified
23 electors. Specific purposes shall not include ordinary

1 operations of local government except those operations
2 related to a specific project;

3

4 (iv) In no event shall the total excise tax
5 imposed within any county under the provisions of
6 paragraphs (i), (iii), ~~and~~ (vi) and (vii) of this
7 subsection exceed three percent (3%);

8

9 (vii) An excise tax not to exceed two percent
10 (2%) upon retail sales of tangible personal property,
11 admissions and services made within an incorporated
12 municipality, less the rate of any tax previously imposed
13 by a county government under paragraph (iii) of this
14 subsection. If the rate imposed under paragraph (iii) of
15 this subsection is two percent (2%), the rate under this
16 paragraph shall be zero (0). The revenue from the tax shall
17 be used in a specified amount for specific purposes
18 authorized by the qualified electors. Specific purposes
19 shall not include ordinary operations of local government
20 except those operations related to a specific project.

21

22 **39-15-211. Distribution.**

23

1 (d) All revenue collected by the department from the
2 taxes imposed by W.S. 39-15-204(a)(vii) shall be
3 transferred to the state treasurer who shall:

4
5 (i) Deduct one percent (1%) to defray the costs
6 of collecting the tax and administrative expenses incident
7 thereto which shall be deposited into the general fund;

8
9 (ii) Deposit the remainder into the trust and
10 agency fund for monthly distribution to the incorporated
11 municipality in which the tax has been imposed to be
12 distributed immediately to the sponsoring entity;

13
14 (iii) Any interest earned from investment of the
15 revenues may only be used for costs related to the purposes
16 approved on the ballot, including operation and maintenance
17 costs, and shall be distributed to each sponsoring entity
18 in the same proportion as its cost is to the total cost of
19 all purposes identified on the ballot;

20
21 (iv) If taxes collected exceed the amount
22 necessary for the approved purpose, the excess funds shall
23 be retained by the municipality for one (1) year for refund
24 of overpayments of the tax imposed upon order of the

1 department. After one (1) year any interest earned on the
2 excess funds and the excess funds less any refunds ordered
3 shall be transferred to the municipality as specified in
4 the resolution adopted pursuant to W.S. 39-15-203(a)(vi).

5
6 **39-16-203. Imposition.**

7
8 (a) Taxable event. The following shall apply:

9
10 (v) The following provisions apply to imposition
11 of the municipal specific purpose excise tax under W.S.
12 39-16-204(a)(vi):

13
14 (A) Any incorporated municipality located
15 in a county wherein no incorporated municipality contains
16 more than fifty percent (50%) of the population of the
17 county may impose a specific purpose excise tax as
18 authorized by W.S. 39-16-204(a)(vi). Population figures
19 shall be based upon the official ten (10) year federal
20 census preceding the time of election. Population figures
21 based upon the official census may be periodically revised
22 by a state population estimate not later than five (5)
23 years following the federal census publication date. If a
24 county has currently imposed a specific purpose excise tax

1 as authorized by W.S. 39-16-204(a)(ii), an incorporated
2 municipality may still impose a municipal specific purpose
3 excise tax in the amount authorized by W.S.
4 39-16-204(a)(vi);

5
6 (B) The revenue from the tax shall be used
7 in a specified amount for specific purposes authorized by
8 the qualified electors. Specific purposes shall not include
9 ordinary operations of local government except those
10 operations related to a specific project;

11
12 (C) No tax shall be imposed under this
13 paragraph until the proposition to impose the tax for
14 specific purposes in specific amounts is approved by the
15 vote of the majority of the qualified electors voting on
16 the proposition. The amount of revenue to be collected and
17 the purpose or purposes for which it is proposed to be used
18 shall be specified in the proposition. The election shall
19 be held in accordance with W.S. 22-21-101 through
20 22-21-112. Any debt created may also be repaid, in whole or
21 in part, by a property tax levy if general obligation bonds
22 are authorized by the electors. Any excise tax imposed
23 under this subsection shall commence as provided by W.S.
24 39-15-207(c) following the election approving the

1 imposition of the tax, except that it shall commence on the
2 first day of any subsequent month following the receipt of
3 tax funds in the approved amount by any tax previously
4 imposed under this subsection as provided by subparagraph
5 (E) of this paragraph. Unless terminated earlier by the
6 sponsoring entities pursuant to subparagraph (G) of this
7 paragraph, the tax shall terminate as provided by W.S.
8 39-15-207(c) when the amount approved by the electors is
9 collected;

10
11 (D) No debt may be incurred or approved
12 which when added to the existing indebtedness of the
13 sponsoring entity or entities, would exceed the
14 constitutional debt limitation of the sponsoring entity or
15 entities. However, nothing herein prohibits the approval of
16 a proposition which establishes a fund for accumulation of
17 funds sufficient to carry out the purpose approved or to
18 pay a sufficient amount of the cost so as to bring the
19 remainder of the debt within the debt limitation of the
20 sponsoring entity or entities;

21
22 (E) Upon certification of the election
23 results by the municipality, the municipality shall, within
24 ten (10) days, notify the department of revenue of the

1 requirement for imposition of any tax under this paragraph
2 and shall, upon the receipt of all tax funds in the amount
3 approved, notify the department of revenue that the special
4 sales tax levy is terminated. The department of revenue
5 shall, upon notification, inform all holders of sales tax
6 licenses within the municipality of the requirement for the
7 collection and payment of the additional tax. After receipt
8 of notice that the amount has been collected or that the
9 sponsoring entities have terminated the tax pursuant to
10 subparagraph (G) of this paragraph, the department shall
11 notify the license holders of the termination of the tax;

12

13 (F) The first municipality imposing the tax
14 provided by this paragraph shall be responsible for payment
15 of costs incurred by the department to initially set up
16 computer records and support systems for administration of
17 this tax. These costs shall be withheld by the state
18 treasurer from the proceeds to be distributed pursuant to
19 the preceding paragraph until such costs are fully
20 recovered;

21

22 (G) The sponsoring entities may agree to
23 terminate the tax if the tax collected reaches the actual
24 cost of the completed projects and the amount specified in

1 the proposition exceeds the actual cost of the completed
2 projects. The sponsoring entities shall inform the
3 department of revenue and the county treasurer that the tax
4 is terminated.

5
6 **39-16-204. Taxation rate.**

7
8 (a) In addition to the state tax imposed under W.S.
9 39-16-101 through 39-16-111 any county of the state may
10 impose the following excise taxes, any city or town may
11 impose the tax authorized by paragraph (vi) of this
12 subsection and any resort district may impose the tax
13 authorized by paragraph (iv) of this subsection:
14

15 (ii) An excise tax not to exceed two percent
16 (2%) upon sales and storage, use and consumption of
17 tangible personal property, within the county. The total
18 excise tax imposed within any county under this paragraph
19 shall not exceed two percent (2%). If an incorporated
20 municipality has previously imposed a tax under paragraph
21 (vi) of this subsection, the rate of the tax imposed under
22 this paragraph within the boundaries of the municipality
23 shall be reduced by the rate imposed under paragraph (vi)
24 of this subsection so that the total rate of tax within the

1 boundaries of the municipality does not exceed two percent
2 (2%). The revenue from the tax shall be used in a specified
3 amount for specific purposes authorized by the qualified
4 electors. Specific purposes shall not include ordinary
5 operations of local government except those operations
6 related to a specific project;

7
8 (iii) In no event shall the total excise tax
9 imposed within any county under the provisions of
10 paragraphs (i), (ii), ~~and~~ (v) and (vi) of this subsection
11 exceed three percent (3%);

12
13 (vi) An excise tax not to exceed two percent
14 (2%) upon sales and storage, use and consumption of
15 tangible personal property, admissions and services made
16 within an incorporated municipality, less the rate of any
17 tax previously imposed by a county government under
18 paragraph (ii) of this subsection. If the rate imposed
19 under paragraph (ii) of this subsection is two percent
20 (2%), the rate under this paragraph shall be zero (0). The
21 revenue from the tax shall be used in a specified amount
22 for specific purposes authorized by the qualified electors.
23 Specific purposes shall not include ordinary operations of

1 local government except those operations related to a
2 specific project.

3

4 **39-16-211. Distribution.**

5

6 (d) All revenue collected by the department from the
7 taxes imposed by W.S. 39-16-204(a)(vi) shall be transferred
8 to the state treasurer who shall:

9

10 (i) Deduct one percent (1%) to defray the costs
11 of collecting the tax and administrative expenses incident
12 thereto which shall be deposited into the general fund;

13

14 (ii) Deposit the remainder into the trust and
15 agency fund for monthly distribution to the incorporated
16 municipality in which the tax has been imposed to be
17 distributed immediately to the sponsoring entity;

18

19 (iii) Any interest earned from investment of the
20 revenues may only be used for costs related to the purposes
21 approved on the ballot, including operation and maintenance
22 costs, and shall be distributed to each sponsoring entity
23 in the same proportion as its cost is to the total cost of
24 all purposes identified on the ballot;

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(iv) If taxes collected exceed the amount necessary for the approved purpose, the excess funds shall be retained by the municipality for one (1) year for refund of overpayments of the tax imposed upon order of the department. After one (1) year any interest earned on the excess funds and the excess funds less any refunds ordered shall be transferred to the municipality as specified in the resolution adopted pursuant to W.S. 39-16-203(a)(v).

Section 2. This act is effective January 1, 2015.

(END)