

## HOUSE BILL NO. HB0177

Collection costs for debts owed to the state.

Sponsored by: Representative(s) Burkhardt and Madden and  
Senator(s) Peterson

A BILL

for

1 AN ACT relating to the collection of debts due the state or  
2 other governmental entities; providing a fee for collection  
3 costs when the state or governmental entity employs a  
4 collection agency to recover debts; conforming related  
5 provisions; and providing for an effective date.

6

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

8

9       **Section 1.** W.S. 2-10-104(c), 9-1-415(a), 16-4-502(a),  
10 16-6-112(a) (i) and (ii), 27-11-107(h), 29-9-101, 31-18-707,  
11 39-13-108(b) (iv), 39-15-103(c) (iv), 39-15-106(g) (ii),  
12 39-15-107(b) (x), 39-15-108(c) (viii) (B) and (xii),  
13 39-16-103(c) (vii), 39-16-107(b) (v), 39-16-108(c) (v), (vi)  
14 and (e), 39-17-106(e) (iii) (C), 39-17-206(k) (iii) (C) and  
15 39-22-108(c) (iii) are amended to read:

1

2           **2-10-104. Probate court to determine; discretion**  
3 **allowed; presumption of correctness.**

4

5           (c) If the probate court finds that the assessment of  
6 penalties, ~~and~~ interest and collection fees assessed in  
7 relation to the tax is due to delay caused by the  
8 negligence of the fiduciary, the court may charge the  
9 fiduciary with the amount of the assessed penalties, ~~and~~  
10 interest and collection fees.

11

12           **9-1-415. Collection of debts due the state; discharge**  
13 **of uncollectible debts.**

14

15           (a) Except as provided in subsections (e) and (f) of  
16 this section, any office or agency of the state may use the  
17 services of a collection agency licensed in Wyoming to  
18 assist in the collection of debts due the state or any  
19 state office or agency. Any office or agency of the state  
20 using a collection agency as provided in this section may  
21 add a reasonable fee, payable by the debtor, to the  
22 outstanding debt for the collection agency fee incurred or  
23 to be incurred. The amount to be paid for collection

1 services shall be left to the agreement of the office or  
2 agency and its collection agency or agencies, but in no  
3 case shall the fee exceed twenty percent (20%) of the  
4 unpaid debt per account.

5  
6 **16-4-502. Collection of debts due a governmental**  
7 **entity; discharge of uncollectible debts.**

8  
9 (a) The governing body of any governmental entity may  
10 authorize the use of the services of a collection agency  
11 licensed in Wyoming to assist in the collection of debts  
12 due the governmental entity. The governing body using a  
13 collection agency as provided in this section may add a  
14 reasonable fee, payable by the debtor, to the outstanding  
15 debt for the collection agency fee incurred or to be  
16 incurred. The amount to be paid for collection services  
17 shall be left to the agreement of the governing body and  
18 its collection agency or agencies, but in no case shall the  
19 fee exceed twenty percent (20%) of the unpaid debt per  
20 account.

21

1           **16-6-112. Contractor's bond or other guarantee; when**  
2 **required; conditions; amount; approval; filing; enforcement**  
3 **upon default.**

4  
5           (a) Except as provided under W.S. 9-2-1016(b)(xviii),  
6 any contract entered into with the state, any county, city,  
7 town, school district or other political subdivision of the  
8 state for the construction, major maintenance or renovation  
9 of any public building or other public structure or for any  
10 public work or improvement and the contract price exceeds  
11 seven thousand five hundred dollars (\$7,500.00), shall  
12 require any contractor before beginning work under the  
13 contract to furnish the state or any political subdivision,  
14 as appropriate, a bond or if the contract price is one  
15 hundred fifty thousand dollars (\$150,000.00) or less, any  
16 other form of guarantee approved by the state or the  
17 political subdivision. The bond or other form of guarantee  
18 shall be:

19  
20           (i) Conditioned for the payment of all taxes,  
21 excises, licenses, assessments, contributions, penalties,  
22 collection fees and interest lawfully due the state or any  
23 political subdivision;

1

2 (ii) For the use and benefit of any person  
3 performing any work or labor or furnishing any material or  
4 goods of any kind which were used in the execution of the  
5 contract, conditioned for the performance and completion of  
6 the contract according to its terms, compliance with all  
7 the requirements of law and payment as due of all just  
8 claims for work or labor performed, material furnished and  
9 taxes, excises, licenses, assessments, contributions,  
10 penalties, collection fees and interest accrued in the  
11 execution of the contract;

12

13 **27-11-107. Penalty.**

14

15 (h) Payment of all fines and penalties imposed under  
16 this section and any collection fees otherwise authorized  
17 by law shall be made to the county treasurer of the county  
18 in which the violation occurs to be credited to the county  
19 school fund. Unpaid fines and penalties become delinquent  
20 if not paid within sixty (60) days after the fines or  
21 penalties are imposed and may be collected by the  
22 department as otherwise provided by law and as provided in  
23 W.S. 9-1-415(a).

1

2           **29-9-101. Lien of state on realty of debtor.**

3

4 The amount of every account audited, adjusted and found due  
5 to the state including penalties, collection fees and  
6 interest is a lien upon the real property of the person  
7 charged with the debt. The lien shall be in effect from  
8 the time suit commences for the recovery of the debt.

9

10           **31-18-707. Nonpayment of fees, taxes, penalties or**  
11 **interest.**

12

13 All fees under chapter 18 of title 31, diesel fuel taxes,  
14 penalty or interest under title 39 or commercial vehicle  
15 registration fees under title 31 become delinquent if not  
16 paid as provided for by law from the date due. Delinquent  
17 diesel fuel taxes, penalties, interest, collection fees or  
18 commercial vehicle registration fees are a lien on all  
19 motor vehicles owned or operated in this state by the  
20 person liable for payment of the taxes, penalties, interest  
21 or fees. If any such taxes, penalties, interest or fees  
22 remain delinquent for thirty (30) days or if any vehicle  
23 subject to the lien is about to be removed from the state,

1 the department or its authorized enforcement agent may  
2 seize and sell the vehicle subject to all existing liens  
3 and security interests held by others, at public auction  
4 upon notice to the owner and lienholder of record as  
5 provided by Rule 4 of the Wyoming Rules of Civil Procedure,  
6 and upon four (4) weeks notice of the sale in a newspaper  
7 published in the counties in which the vehicle is titled  
8 and registered. The department may bring suit in any court  
9 of competent jurisdiction to collect any delinquent fees or  
10 taxes, penalties, collection fees and interest under this  
11 section.

12

13 **39-13-108. Enforcement.**

14

15 (b) Interest. The following shall apply:

16

17 (iv) Rail car companies. If the taxes levied  
18 and payable to the department under W.S. 39-13-104(g) are  
19 not paid on December 31 of the year levied, they shall  
20 become delinquent and shall bear interest at the rate of  
21 eleven percent (11%) per annum. If the taxes and interest  
22 due are not paid before February 1 following the levy, the  
23 department may collect them by distress and sale of any

1 property belonging to the delinquent owner in the manner  
2 required of county treasurers, and the order of the  
3 department shall be sufficient authority therefor. The  
4 department may use any other remedy available for the  
5 collection of monies due and may recover collection fees as  
6 provided in W.S. 9-1-415(a).

7

8 **39-15-103. Imposition.**

9

10 (c) Taxpayer. The following shall apply:

11

12 (iv) The vendor shall file a return within  
13 thirty (30) days after discontinuing or selling his  
14 business. His successor in business shall withhold from the  
15 purchase price enough money to pay the taxes, penalties and  
16 interest due on the outstanding amount of all credit,  
17 installment and conditional sales upon which the tax has  
18 not been paid until the time the former owner produces a  
19 receipt from the department showing that all taxes have  
20 been paid or a certificate that no taxes are due. If the  
21 successor fails to withhold from the purchase price the  
22 amount due and the taxes, penalty and interest are unpaid  
23 the original vendor and successor vendor are liable for the

1 payment of the unpaid taxes, penalties, collection fees and  
2 interest.

3

4 **39-15-106. Licenses; permits.**

5

6 (g) The department may, after providing notice and an  
7 opportunity for a hearing, revoke the license of any vendor  
8 violating any provision of this article and no license  
9 shall thereafter be issued to that person until the  
10 applicant has:

11

12 (ii) Filed with the department all past due  
13 returns and has remitted in full all taxes, penalties,  
14 collection fees and interest due.

15

16 **39-15-107. Compliance; collection procedures.**

17

18 (b) Payment. The following shall apply:

19

20 (x) The department may enter into contracts with  
21 collection agencies for required collection services on  
22 deficiencies of sales tax occurring under W.S. 39-15-101  
23 through 39-15-111 from and after the reporting period of

1 January, 1989. Any taxes collected by the collection  
2 agencies shall be distributed in accordance with W.S.  
3 39-15-111(b). ~~There is continuously appropriated from the~~  
4 ~~general fund, to the department, an amount equal to the~~  
5 ~~cost of collection under each contract but not to exceed~~  
6 ~~fifty percent (50%) of the amounts collected by collection~~  
7 ~~agencies, under a contract. The department shall expend~~  
8 ~~those funds appropriated solely for collection agency~~  
9 ~~services and may authorize in the contracts for those~~  
10 ~~services that collection agency costs be deducted from~~  
11 ~~funds collected and remitted to the department~~ A reasonable  
12 fee for the collection fees incurred or to be incurred, in  
13 accordance with W.S. 9-1-415(a), may be authorized in the  
14 contracts. The contracts entered into under this paragraph  
15 shall not be for a term of more than two (2) years and  
16 shall be awarded only after competition;

17

18 **39-15-108. Enforcement.**

19

20 (c) Penalties. The following shall apply:

21

22 (viii) The department may, after providing  
23 notice and an opportunity for a hearing, revoke the license

1 of any vendor violating any provision of this article and  
2 no license shall thereafter be issued to that person until  
3 the applicant has:

4

5 (B) Filed with the department all past due  
6 returns and has remitted in full all taxes, penalties,  
7 collection fees and interest due.

8

9 (xii) If a vendor fails to file a return as  
10 required by this article, the department shall give written  
11 notice by mail to the vendor to file a return on or before  
12 the last day of the month following the notice of  
13 delinquency. If a vendor then fails to file a return the  
14 department shall make a return from the best information  
15 available which will be prima facie correct and the tax due  
16 therein is a deficiency and subject to penalties and  
17 interest as provided by this article and any collection  
18 fees otherwise authorized by law;

19

20 **39-16-103. Imposition.**

21

22 (c) Taxpayer. The following shall apply:

23

1           (vii) If any vendor discontinues his business or  
2 sells his stock of goods he shall make a final return and  
3 payment within thirty (30) days thereafter. His successor  
4 in business shall withhold from the purchase price an  
5 amount equal to any taxes, penalty, collection fees or  
6 interest due until the time the former owner produces a  
7 receipt from the department showing that all amounts due  
8 have been paid or a certificate that no taxes are due. If  
9 the successor fails to withhold from the purchase price the  
10 amount due he is liable for same;

11

12           **39-16-107. Compliance; collection procedures.**

13

14           (b) Payment. The following shall apply:

15

16           (v) If any vendor discontinues his business or  
17 sells his stock of goods he shall make a final return and  
18 payment within thirty (30) days thereafter. His successor  
19 in business shall withhold from the purchase price an  
20 amount equal to any taxes, penalty, collection fees or  
21 interest due until the time the former owner produces a  
22 receipt from the department showing that all amounts due  
23 have been paid or a certificate that no taxes are due. If

1 the successor fails to withhold from the purchase price the  
2 amount due he is liable for same;

3

4 **39-16-108. Enforcement.**

5

6 (c) Penalties. The following shall apply:

7

8 (v) If the taxes, penalty and interest due under  
9 this section and any collection fees otherwise authorized  
10 by law are ~~unpaid~~not paid within ten (10) days following  
11 service of notice an additional penalty of ten percent  
12 (10%) and interest as provided by paragraph (i) of this  
13 subsection shall be added by the department;

14

15 (vi) The department shall promptly give written  
16 notice of all taxes, penalty, collection fees and interest  
17 due under this section by personal service or mail to the  
18 address as shown in the department records;

19

20 (e) Tax sales. At any time following a delinquency  
21 the department with board approval may seize and sell at  
22 public auction any property owned by the delinquent  
23 taxpayer to pay all taxes, penalty, collection fees and

1 interest due plus the cost involved in seizing and selling  
2 the property. Notice of the sale showing its time and place  
3 shall be mailed to the delinquent taxpayer at least ten  
4 (10) days prior to the sale. The notice shall also be  
5 printed in a newspaper of general circulation published in  
6 the county wherein the seized property is to be sold at  
7 least ten (10) days prior to the sale. If no newspaper is  
8 published in the county the notice shall be posted in three  
9 (3) public places ten (10) days prior to the sale. The  
10 notice shall contain a description of the property to be  
11 sold, a statement of the entire amount due, the name of the  
12 delinquent taxpayer and a statement that unless the amount  
13 due is paid on or before the time of sale, the property or  
14 so much thereof as necessary shall be sold. The department,  
15 with board approval, shall give the purchaser a bill of  
16 sale for personal property or a deed for real property  
17 purchased at the sale. Any unsold property seized may be  
18 left at the sale at the risk of the delinquent taxpayer. If  
19 the monies received at the sale are in excess of the amount  
20 due the excess shall be given to the delinquent taxpayer  
21 upon his receipt therefor. If a receipt by the delinquent  
22 taxpayer is not given the department shall deposit the

1 excess with the state treasurer as trustee for the  
2 delinquent taxpayer.

3

4 **39-17-106. Licenses; permits.**

5

6 (e) The department may require bonds, or accept in  
7 lieu of a bond a certificate of deposit meeting the  
8 requirements of paragraph (vi) of this subsection, under  
9 this article as follows:

10

11 (iii) The bond shall be executed with a  
12 corporate surety duly licensed to do business in this  
13 state. In lieu of a corporate surety bond, the department  
14 may accept a cash bond made payable to the department. Any  
15 interest earned on a cash bond shall accrue to the  
16 licensee. The bond shall be:

17

18 (C) Guarantee payment of delinquent taxes,  
19 penalties and interest due under this article, any  
20 collection fees otherwise authorized by law and the return  
21 of the license issued under this article;

22

23 **39-17-206. Licenses; permits.**

1

2 (k) The department may require bonds, or accept in  
3 lieu of a bond a certificate of deposit meeting the  
4 requirements of paragraph (vi) of this subsection, under  
5 this article as follows:

6

7 (iii) The bond shall be executed with a  
8 corporate surety duly licensed to do business in this  
9 state. In lieu of a corporate surety bond, the department  
10 may accept a cash bond made payable to the department. Any  
11 interest earned on a cash bond shall accrue to the  
12 licensee. The bond shall be:

13

14 (C) Guarantee payment of delinquent taxes,  
15 penalties and interest due under this article, any  
16 collection fees otherwise authorized by law and the return  
17 of the license issued under this article;

18

19 **39-22-108. Enforcement.**

20

21 (c) Penalties. The following shall apply:

22

1           (iii) Taxes due together with interest,  
2 penalties, collection fees and costs shall be collectible  
3 by the department by appropriate judicial proceedings;

4

5           **Section 2.** This act is effective July 1, 2017.

6

7

(END)