

SENATE FILE NO. SF0027

Excise tax audits.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to excise taxes; specifying audit  
 2 procedures to assess credits and deficiencies against  
 3 excise tax payers and vendors; providing that an audit  
 4 tolls the statute of limitations during the pendency of the  
 5 audit; and providing for an effective date.

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

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9 **Section 1.** W.S. 39-15-108(a) is amended to read:

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11 **39-15-108. Enforcement.**

12

13 (a) Audits. ~~Except as otherwise provided, there are~~  
 14 ~~no specific applicable provisions for audits for this~~  
 15 ~~article.~~ To assess credits and deficiencies against  
 16 taxpayers and vendors, the department is authorized to rely

1 on final audit findings made by the department of audit,  
2 taxpayer information, vendor information or department  
3 review subject to the following conditions:

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5 (i) Audits shall commence when the taxpayer or  
6 vendor receives written notice of the engagement of the  
7 audit. The issuance of the written notice of the audit  
8 shall toll the statute of limitations provided in W.S.  
9 39-15-110 for the audit period specified in this  
10 subsection;

11  
12 (ii) After receiving notice of an audit under  
13 this subsection, the taxpayer or vendor shall preserve all  
14 records and books necessary to determine the amount of tax  
15 due for the time period that is being audited;

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17 (iii) Except as otherwise provided in this  
18 paragraph, audits shall encompass a time period not to  
19 exceed three (3) years immediately preceding the reporting  
20 period when the audit is engaged. The three (3) year limit  
21 shall not apply to an audit if:

22

1                   (A) There is evidence of a violation of  
2 paragraph (c)(iv) or subsection (f) of this section by the  
3 taxpayer or vendor for the reporting period being audited;  
4 or

5  
6                   (B) There is evidence of gross negligence  
7 by the taxpayer or vendor in reporting or remitting taxes  
8 for the reporting period being audited.

9  
10                   (iv) If a taxpayer is not willing or able to  
11 produce adequate records to demonstrate taxes due, the  
12 department or the department of audit may project taxes  
13 based on the best information available. If a vendor is not  
14 willing or able to comply with the record requirements of  
15 paragraph (c)(xi) of this section, the department or the  
16 department of audit may project taxes based on the best  
17 information available;

18  
19                   (v) The department of audit may contract with or  
20 employ auditors or other technical assistance necessary to  
21 determine whether the taxes imposed by this article have  
22 been properly reported and paid;

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1                   (vi) Audits under this subsection are subject to  
2 the authority and procedures provided in W.S. 9-2-2003.

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4           **Section 2.** This act is effective July 1, 2018.

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(END)