

HOUSE BILL NO. HB0025

County reserve accounts.

Sponsored by: Joint Corporations, Elections & Political
Subdivisions Interim Committee

A BILL

for

1 AN ACT relating to local sales and use tax; authorizing the
2 deposit of certain specific purpose excise taxes into
3 reserve accounts as specified; requiring approval from the
4 governing body and qualified electors of a county;
5 specifying the use of funds in reserve accounts; and
6 providing for an effective date.

7

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

9

10 **Section 1.** W.S. 39-15-203(a)(iii)(B) and by creating
11 a new subparagraph (H), 39-15-204(a)(iii),
12 39-15-211(b)(iv), 39-16-203(a)(ii)(B) and by creating a new
13 subparagraph (H), 39-16-204(a)(ii) and 39-16-211(b)(iv) are
14 amended to read:

15

1 **39-15-203. Imposition.**

2

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

4

5 (iii) The following provisions apply to
6 imposition of the specific purpose excise tax under W.S.
7 39-15-204(a)(iii):

8

9 (B) The revenue from the tax shall be used
10 in a specified amount for specific purposes authorized by
11 the qualified electors. Specific purposes may include one
12 (1) time major maintenance, renovation or reconstruction of
13 a specifically defined section of a public roadway and may
14 include, alone or in conjunction with another specific
15 purpose, funding a reserve account as provided in
16 subparagraph (H) of this paragraph. Specific purposes shall
17 not include ordinary operations of local government except
18 those operations related to a specific project or as
19 authorized by subparagraph (H) of this paragraph;

20

21 (H) If approved in the resolution adopted
22 pursuant to subparagraph (A) of this paragraph and approved
23 by the qualified electors pursuant to subparagraph (C) of

1 this paragraph, a specified amount of revenue from the tax
2 may be deposited into a reserve account. Funds in the
3 reserve account may be invested as provided in W.S. 9-4-831
4 and may be expended for specific purposes previously
5 authorized under this paragraph and for the ordinary
6 operations of local government. In each fiscal year, the
7 governing body of the county, in consultation with the
8 governing bodies of the incorporated municipalities within
9 the county, may expend:

10
11 (I) Not more than five percent (5%) of
12 the funds in the reserve account; or

13
14 (II) Not more than twenty percent
15 (20%) of the funds in the reserve account if the total
16 operational revenues for the county in the immediately
17 preceding fiscal year were at least thirty-five percent
18 (35%) lower than the fiscal year prior to the immediately
19 preceding fiscal year. Funds expended pursuant to this
20 subdivision shall not be included in calculating total
21 operational revenues in any fiscal year.

22
23 **39-15-204. Taxation rate.**

1

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

8

9 (iii) An excise tax not to exceed two percent
10 (2%) upon retail sales of tangible personal property,
11 admissions and services made within the county. The total
12 excise tax imposed within any county under this paragraph
13 shall not exceed two percent (2%). The revenue from the tax
14 shall be used in a specified amount for specific purposes
15 authorized by the qualified electors and as provided in
16 W.S. 39-15-211(b)(iv). Specific purposes shall not include
17 ordinary operations of local government except those
18 operations related to a specific project or as authorized
19 by W.S. 39-15-203(a)(iii)(H);

20

21 **39-15-211. Distribution.**

22

1 (b) For all revenue collected by the department from
2 the taxes imposed by W.S. 39-15-204(a)(iii) the department
3 shall:

4
5 (iv) If taxes collected exceed the amount
6 necessary for the approved purpose, the excess funds shall
7 be retained by the county treasurer for one (1) year for
8 refund of overpayments of the tax imposed pursuant to this
9 act upon order of the department. After one (1) year any
10 interest earned on the excess funds and the excess funds
11 less any refunds ordered shall be deposited in the
12 applicable reserve account authorized by W.S.
13 39-15-203(a)(iii)(H) or transferred to the county or
14 municipality as specified in the resolution adopted
15 pursuant to W.S. 39-15-203(a)(iii)(A). If the resolution
16 fails to specify how excess funds will be expended and
17 after all approved purposes have been completed, the county
18 treasurer shall transfer the excess funds less any refunds
19 ordered to each city and town within the county in the
20 proportion the population of the city or town bears to the
21 population of the county and to the county in the
22 proportion that the population of the unincorporated areas
23 of the county bears to the population of the county. After

1 a public hearing, with notice of the public hearing
2 published in a newspaper of general circulation in the
3 county at least thirty (30) days before the public hearing,
4 the governing body of the county and each municipality may
5 appropriate its proportion of excess funds for other
6 specific purposes authorized by a majority vote of the
7 governing body, which shall not include the ordinary
8 operations of local government. Excess funds collected on
9 the propositions approved prior to January 1, 1989, and any
10 interest earned shall be retained by the county treasurer
11 for use in any purposes approved by the electors in
12 accordance with procedures set forth in this section and
13 for refunds of overpayment of taxes imposed pursuant to
14 this act upon the order of the department, except that,
15 with the approval of the governing bodies adopting the
16 initial resolution, the excess funds and any interest
17 earned may be used for the needs of the project for which
18 the tax was approved.

19

20 **39-16-203. Imposition.**

21

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

23

1 (ii) The following provisions apply to
2 imposition of the specific purpose excise tax under W.S.
3 39-16-204(a)(ii):

4
5 (B) The revenue from the tax shall be used
6 in a specified amount for specific purposes authorized by
7 the qualified electors. Specific purposes may include one
8 (1) time major maintenance, renovation or reconstruction of
9 a specifically defined section of a public roadway and may
10 include, alone or in conjunction with another specific
11 purpose, funding a reserve account as provided in
12 subparagraph (H) of this paragraph. Specific purposes
13 shall not include ordinary operations of local government
14 except those operations related to a specific project or as
15 authorized by subparagraph (H) of this paragraph;

16
17 (H) If approved in the resolution adopted
18 pursuant to subparagraph (A) of this paragraph and approved
19 by the qualified electors pursuant to subparagraph (C) of
20 this paragraph, a specified amount of revenue from the tax
21 may be deposited into a reserve account. Funds in the
22 reserve account may be invested as provided in W.S. 9-4-831
23 and may be expended for specific purposes previously

1 authorized under this paragraph and for the ordinary
2 operations of local government. In each fiscal year, the
3 governing body of the county, in consultation with the
4 governing bodies of the incorporated municipalities within
5 the county, may expend:

6
7 (I) Not more than five percent (5%) of
8 the funds in the reserve account; or

9
10 (II) Not more than twenty percent
11 (20%) of the funds in the reserve account if the total
12 operational revenues for the county in the immediately
13 preceding fiscal year were at least thirty-five percent
14 (35%) lower than the fiscal year prior to the immediately
15 preceding fiscal year. Funds expended pursuant to this
16 subdivision shall not be included in calculating total
17 operational revenues in any fiscal year.

18
19 **39-16-204. Taxation rate.**

20
21 (a) In addition to the state tax imposed under W.S.
22 39-16-101 through 39-16-111 any county of the state may
23 impose the following excise taxes and any resort district

1 may impose the tax authorized by paragraph (iv) of this
2 subsection:

3

4 (ii) An excise tax not to exceed two percent
5 (2%) upon sales and storage, use and consumption of
6 tangible personal property, within the county. The total
7 excise tax imposed within any county under this paragraph
8 shall not exceed two percent (2%). The revenue from the tax
9 shall be used in a specified amount for specific purposes
10 authorized by the qualified electors and as provided in
11 W.S. 39-16-211(b)(iv). Specific purposes shall not include
12 ordinary operations of local government except those
13 operations related to a specific project or as authorized
14 by W.S. 39-16-203(a)(ii)(H);

15

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

17

18 (b) For all revenue collected by the department from
19 the taxes imposed by W.S. 39-16-204(a)(ii), the department
20 shall:

21

22 (iv) If taxes collected exceed the amount
23 necessary for the approved purpose, the excess funds shall

1 be retained by the county treasurer for one (1) year for
2 refund of overpayments of the tax imposed pursuant to this
3 act upon order of the department. After one (1) year any
4 interest earned on the excess funds and the excess funds
5 less any refunds ordered shall be deposited in the
6 applicable reserve account authorized by W.S.
7 39-16-203(a)(ii)(H) or transferred to the county or
8 municipality as specified in the resolution adopted
9 pursuant to W.S. 39-16-203(a)(ii)(A). If the resolution
10 fails to specify how excess funds will be expended and
11 after all approved purposes have been completed, the county
12 treasurer shall transfer the excess funds less any refunds
13 ordered to each city and town within the county in the
14 proportion the population of the city or town bears to the
15 population of the county and to the county in the
16 proportion that the population of the unincorporated areas
17 of the county bears to the population of the county. After
18 a public hearing, with notice of the public hearing
19 published in a newspaper of general circulation in the
20 county at least thirty (30) days before the public hearing,
21 the governing body of the county and each municipality may
22 appropriate its proportion of excess funds for other
23 specific purposes authorized by a majority vote of the

1 governing body, which shall not include the ordinary
2 operations of local government. Excess funds collected on
3 the propositions approved prior to January 1, 1989, and any
4 interest earned shall be retained by the county treasurer
5 for use in any purposes approved by the electors in
6 accordance with procedures set forth in this section and
7 for refunds of overpayment of taxes imposed pursuant to
8 this act upon the order of the department, except that,
9 with the approval of the governing bodies adopting the
10 initial resolution, the excess funds and any interest
11 earned may be used for the needs of the project for which
12 the tax was approved.

13

14 **Section 2.**

15

16 (a) If a county imposed an excise tax under W.S.
17 39-15-204(a)(iii) or 39-16-204(a)(ii) prior to the
18 effective date of this act, the governing body of the
19 county may submit to the qualified electors of the county
20 the question of whether to allow a specified amount of
21 revenue from the tax to be deposited into a reserve account
22 and expended as authorized by W.S. 39-15-203(a)(iii)(H) or
23 39-16-203(a)(ii)(H), as created by this act. The election

1 shall be held in accordance with W.S. 22-21-101 through
2 22-21-112. No revenue from a tax imposed under W.S.
3 39-15-204(a)(iii) or 39-16-204(a)(ii) prior to the
4 effective date of this act shall be deposited into a
5 reserve account until the proposition authorizing such use
6 is submitted in accordance with this section and approved
7 by the vote of the majority of the qualified electors
8 voting on the proposition.

9

10 (b) Before any proposition under this section shall
11 be placed before the electors, a resolution approving the
12 proposition and setting forth a procedure for qualification
13 of a ballot question for placement on the ballot shall be
14 adopted in the same manner as provided in W.S.
15 39-15-203(a)(iii)(A) and 39-16-203(a)(ii)(A).

16

17 (c) This section shall be repealed effective January
18 1, 2022.

19

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

5

6

(END)