

HOUSE BILL NO. HB0041

Special taxation zone-optional tax.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to sales and use taxes; authorizing the
 2 imposition of a special taxation zone tax as an alternative
 3 to an optional municipal tax; providing for formation of
 4 special taxation zones; providing for administration and
 5 implementation of the tax; providing for distribution of
 6 the taxes; and 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)(vi)(intro), (A) through
 11 (C), (E), (F)(intro), (G)(intro), (I) through (IV), (H),
 12 (J) and by creating a new subparagraph (K),
 13 39-15-204(a)(intro) and (vii), 39-15-211(d)(ii),
 14 39-16-203(a)(v)(intro), (A) through (C), (E), (F)(intro),
 15 (G)(intro), (I) through (IV), (H), (J) and by creating a

1 new subparagraph (K), 39-16-204(a)(intro) and (vi) and
2 39-16-211(d)(ii) are amended to read:

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4 **39-15-203. Imposition.**

5

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

7

8 (vi) The following provisions apply to
9 imposition of the municipal or special taxation zone tax
10 under W.S. 39-15-204(a)(vii):

11

12 (A) The tax authorized by W.S.
13 39-15-204(a)(vii) shall be in addition to and not in lieu
14 of any tax imposed by a county under W.S. 39-15-204(a)(i),
15 (iii) or (vi) if those taxes are imposed. If a city or town
16 imposes a municipal tax under this paragraph or is part of
17 a special taxation zone that imposes a tax under this
18 paragraph, the city or town shall not participate in any
19 other special taxation zone that is formed to impose a
20 special taxation zone tax under subparagraph (K) of this
21 paragraph. No portion of a county that is part of a special
22 taxation zone under this paragraph shall be a part of any
23 other special taxation zone formed under subparagraph (K)

1 of this paragraph. In no case shall any area be subject to
2 a tax under W.S. 39-15-204(a)(vii) in excess of one percent
3 (1%) as provided in that paragraph;

4
5 (B) If a county has imposed at least one
6 percent (1%) of the tax under W.S. 39-15-204(a)(i) and has
7 voted to initially approve or continue a tax under W.S.
8 39-15-204(a)(iii), or if the board of county commissioners
9 has adopted a resolution by the county under subparagraph
10 (J) of this paragraph, a city or town within the county
11 where the tax was imposed, or the city or town and county
12 comprising a special taxation zone under subparagraph (K)
13 of this paragraph may propose an excise tax as provided in
14 this paragraph. Except for a tax authorized under
15 subparagraph (J) of this paragraph, the tax shall not be
16 proposed until at least ninety (90) days following the
17 approval or continuation of a tax under W.S.
18 39-15-204(a)(iii). Except for a tax authorized under
19 subparagraph (J) of this paragraph, the ~~amount-rate~~ of the
20 tax proposed under this subparagraph shall not exceed a
21 rate equivalent to the amount of tax that the city, ~~or~~ town
22 or special taxation zone collects during the same time
23 period pursuant to the tax imposed under W.S.

1 39-15-204(a)(iii). The tax imposed under this paragraph
2 shall terminate not more than ninety (90) days following
3 the termination of the tax imposed under W.S.
4 39-15-204(a)(iii) or as provided in subparagraph (J) of
5 this paragraph;

6

7 (C) Revenue from the tax shall be used for
8 general purposes or for a specific purpose in a specified
9 amount as specified in the proposition to impose the tax. A
10 city, ~~or town~~ or special taxation zone may impose a portion
11 of the tax for separate purposes provided that the purposes
12 are voted on separately, each proposition specifies the
13 purpose of the tax and the total amount of the tax does not
14 exceed the full amount authorized in W.S. 39-15-204(a)(vii)
15 and subparagraph (B) of this paragraph;

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17 (E) A notice of election shall be given in
18 at least one (1) newspaper of general circulation published
19 in the county in which the election is to be held, and the
20 notice shall specify the proposition that will be
21 considered at the election. The notice shall be published
22 at least once each week for a thirty (30) day period
23 preceding the election. At the election for each

1 proposition, the ballots shall contain the words "for the
2 municipal (or special taxation zone) sales and use tax" and
3 "against the municipal (or special taxation zone) sales and
4 use tax". The ballot shall describe the purposes of the tax
5 in a clear and appropriate manner;

6

7 (F) If the proposition to impose or
8 continue the tax is defeated the proposition shall not
9 again be submitted to the electors of the city, ~~or town~~ or
10 special taxation zone for at least eleven (11) months. If
11 the proposition is defeated at any general election
12 following initial adoption of the proposition the tax is
13 repealed and shall not be collected following June 30 of
14 the year immediately following the year in which the
15 proposition is defeated except:

16

17 (G) If the proposition is approved by the
18 qualified electors, the city or town council for a
19 municipal tax or each city or town and county comprising
20 the special taxation zone for a special taxation zone tax
21 shall adopt an ordinance for the tax authorized by W.S.
22 39-15-204(a)(vii) consistent with the approved proposition.
23 The ordinance shall include the following:

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(I) A provision imposing sales tax upon retail sales of tangible personal property, admissions and services made within the city, ~~or~~ town or special taxation zone, whichever is appropriate;

(II) Provisions identical to those contained in article 1 of this chapter except for W.S. 39-15-102(a), insofar as it relates to sales taxes, except the name of the city, ~~or~~ town or special taxation zone as the taxing agency shall be substituted for that of the state and an additional license to engage in business shall not be required if the vendor has been issued a state license pursuant to law;

(III) A provision that any amendments made to article 1 of this chapter or to chapter 16 of this title that are not in conflict with article 1 of this chapter or to chapter 16 of this title shall automatically become a part of the sales tax ordinances of the city, ~~or~~ town or members of the special taxation zone;

1 (IV) A provision that the city, ~~or~~
2 town or special taxation zone shall contract with the
3 department prior to the effective date of the sales tax
4 ordinances whereby the department shall perform all
5 functions incident to the administration of the sales tax
6 ordinances; ~~of the city or town;~~

7
8 (H) Subject to subparagraphs (B) and (J) of
9 this paragraph, if the tax is imposed for a specific
10 purpose and in a specified amount the tax shall terminate
11 when the amount specified in the proposition approved by
12 the electors is collected. A city, ~~or town~~ or special
13 taxation zone may agree to terminate the tax if the tax
14 collected reaches the actual cost of the completed projects
15 and the amount specified in the proposition exceeds the
16 actual cost of the completed projects. A city, ~~or town~~ or
17 special taxation zone shall inform the department that a
18 tax is terminated;

19
20 (J) If a county has not imposed taxes under
21 W.S. 39-15-204(a)(i) and 39-15-204(a)(iii) as provided in
22 subparagraph (B) of this paragraph, the board of county
23 commissioners may adopt a resolution to authorize cities,

1 ~~and~~ towns and special taxation zones within the county to
2 propose a ~~municipal~~ tax under this paragraph. The
3 resolution shall establish the maximum taxation rate in
4 increments of one-quarter of one percent (.25%) not to
5 exceed a rate of one percent (1%). The proposition by a
6 city, ~~or~~ town or special taxation zone for a ~~municipal~~ tax
7 authorized under this subparagraph shall specify that the
8 ~~municipal~~ tax shall terminate after two (2) years. ~~;~~

9
10 (K) If a tax under this paragraph will
11 benefit residents of the county residing beyond the
12 boundaries of a city or town, the city or town may request
13 the board of county commissioners to form a special
14 taxation zone comprising of one (1) or more cities or towns
15 and areas in the county that are outside the boundaries of
16 the city or town. The request to form a special taxation
17 zone shall be filed with the county commissioners. Prior
18 to filing a request with the county commissioners, the
19 request shall be filed with the county assessor, county
20 clerk and the department of revenue which shall review,
21 within sixty (60) days of receiving the request, the
22 boundaries of the proposed zone for any conflict, overlap,
23 gap or other boundary issue and make written comments

1 thereon to be submitted to the county commissioners. The
2 request shall be approved by the governing body of each
3 city or town requested to be part of the special taxation
4 zone prior to submission to the county commissioners. If
5 the request satisfies the requirements of this
6 subparagraph, the county commissioners shall:

7
8 (I) Set a date for a hearing on the
9 petition. The hearing shall be held not less than
10 forty-five (45) days nor more than ninety (90) days after
11 the date the petition is filed;

12
13 (II) Cause notice of the hearing to be
14 posted in at least three (3) public places, one (1) of
15 which may be online, and published by two (2) insertions in
16 a newspaper of general circulation in the county in which
17 the zone is proposed to be located. The last of the notices
18 shall be published at least ten (10) business days prior to
19 the hearing. The notice shall state:

20
21 (1) The purpose for which the
22 special taxation zone is to be formed;

23

1 (2) The boundaries of the
2 proposed zone;

3
4 (3) The time and place of the
5 hearing on the request; and

6
7 (4) That all interested persons
8 may appear and be heard.

9
10 (III) At the time stated in the
11 notice, hear the petition and determine if the area could
12 be benefited by the formation of the special taxation zone.
13 It may adjourn the hearing from time to time, but not
14 exceeding four (4) weeks in all unless additional notice is
15 given. The county commissioners may alter the boundaries
16 set forth in the petition to either include or exclude
17 territory. In determining the boundaries of the proposed
18 zone, the board shall consider the benefit the proposed
19 special taxation zone will have within the areas of the
20 county in or out of the proposed zone. The commissioners
21 shall not modify the boundaries so as to exclude from the
22 proposed zone any land which could be benefited by its

1 formation, nor shall there be included any land which will
 2 not, in the judgment of the commissioners, be benefited;

3

4 (IV) If the county commissioners
 5 approve the request for formation as presented or as
 6 modified, enter an order declaring formation of the special
 7 taxation zone. The order shall set forth a description of
 8 the boundaries of the special taxation zone.

9

10 **39-15-204. Taxation rate.**

11

12 (a) In addition to the state tax imposed under W.S.
 13 39-15-101 through 39-15-111 any county of the state may
 14 impose the following excise taxes, ~~and~~ any city or town may
 15 impose the ~~taxes~~ tax authorized by ~~paragraphs~~ paragraph
 16 (ii) ~~and (vii)~~ of this subsection, any city, town or
 17 special taxation zone may impose the tax authorized by
 18 paragraph (vii) of this subsection and any resort district
 19 may impose the tax authorized by paragraph (v) of this
 20 subsection:

21

22 (vii) An excise tax at a rate in increments of
 23 one-quarter of one percent (.25%) not to exceed a rate of

1 one percent (1%) upon retail sales of tangible personal
2 property, admissions and services made within the city, ~~or~~
3 town or special taxation zone, the purpose of which is for
4 general revenue or for a specific purpose and in a
5 specified amount as provided in the proposition to impose
6 the tax.

7

8 **39-15-211. Distribution.**

9

10 (d) For all revenue collected by the department from
11 the taxes imposed by W.S. 39-15-204(a)(vii) the department
12 shall:

13

14 (ii) Deposit the remainder into an account for
15 monthly distribution to the city, ~~or~~ town or special
16 taxation zone in which the tax has been imposed which shall
17 only be used by the city, ~~or~~ town or special taxation zone
18 for costs related to the purposes approved in the
19 proposition to impose the tax.

20

21 **39-16-203. Imposition.**

22

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

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2 (v) The following provisions apply to imposition
3 of the municipal or special taxation zone tax under W.S.
4 39-16-204(a)(vi):

5

6 (A) The tax authorized by W.S.
7 39-16-204(a)(vi) shall be in addition to and not in lieu of
8 any tax imposed by a county under W.S. 39-16-204(a)(i),
9 (ii) or (v) if those taxes are imposed. If a city or town
10 imposes a municipal tax under this paragraph or is part of
11 a special taxation zone that imposes a tax under this
12 paragraph, the city or town shall not participate in any
13 other special taxation zone that is formed to impose a
14 special taxation zone tax under subparagraph (K) of this
15 paragraph. No portion of a county that is part of a special
16 taxation zone under this paragraph shall be a part of any
17 other special taxation zone formed under subparagraph (K)
18 of this paragraph. In no case shall any area be subject to
19 a tax under W.S. 39-16-204(a)(vi) in excess of one percent
20 (1%) as provided in that paragraph;

21

22 (B) If a county has imposed at least one
23 percent (1%) of the tax under W.S. 39-16-204(a)(i) and has

1 voted to initially approve or continue a tax under W.S.
2 39-16-204(a)(ii), or if the county has adopted a resolution
3 by the county under subparagraph (J) of this paragraph, a
4 city or town within the county where the tax was imposed,
5 or the city or town and county comprising a special
6 taxation zone under subparagraph (K) of this paragraph may
7 propose an excise tax as provided in this paragraph. Except
8 for a tax authorized under subparagraph (J) of this
9 paragraph, the tax shall not be proposed until at least
10 ninety (90) days following the approval or continuation of
11 a tax under W.S. 39-16-204(a)(ii). Except for a tax
12 authorized under subparagraph (J) of this paragraph, the
13 ~~amount~~-rate of the tax proposed under this subparagraph
14 shall not exceed a rate equivalent to the amount of tax
15 that the city, ~~or~~-town or special taxation zone collects
16 during the same time period pursuant to the tax imposed
17 under W.S. 39-16-204(a)(ii). The tax imposed under this
18 paragraph shall terminate not more than ninety (90) days
19 following the termination of the tax imposed under W.S.
20 39-16-204(a)(ii) or as provided in subparagraph (J) of this
21 paragraph;

22

1 (C) Revenue from the tax shall be used for
2 general purposes or for a specific purpose in a specified
3 amount as specified in the proposition to impose the tax. A
4 city, ~~or town~~ or special taxation zone may impose a portion
5 of the tax for separate purposes provided that the purposes
6 are voted on separately, each proposition specifies the
7 purpose of the tax and the total amount of the tax does not
8 exceed the full amount authorized in W.S. 39-16-204(a)(vi)
9 and subparagraph (B) of this paragraph;

10

11 (E) A notice of election shall be given in
12 at least one (1) newspaper of general circulation published
13 in the county in which the election is to be held, and the
14 notice shall specify the proposition that will be
15 considered at the election. The notice shall be published
16 at least once each week for a thirty (30) day period
17 preceding the election. At the election for each
18 proposition, the ballots shall contain the words "for the
19 municipal (or special taxation zone) sales and use tax" and
20 "against the municipal (or special taxation zone) sales and
21 use tax". The ballot shall describe the purposes of the tax
22 in a clear and appropriate manner;

23

1 (F) If the proposition to impose or
2 continue the tax is defeated the proposition shall not
3 again be submitted to the electors of the city, ~~or town~~ or
4 special taxation zone for at least eleven (11) months. If
5 the proposition is defeated at any general election
6 following initial adoption of the proposition the tax is
7 repealed and shall not be collected following June 30 of
8 the year immediately following the year in which the
9 proposition is defeated except:

10

11 (G) If the proposition is approved by the
12 qualified electors, the city or town council for a
13 municipal tax or each city or town and county comprising
14 the special taxation zone for a special taxation zone tax
15 shall adopt an ordinance for the tax authorized by W.S.
16 39-16-204(a)(vi) consistent with the approved proposition.
17 The ordinance shall include the following:

18

19 (I) A provision imposing a use tax
20 upon sales and storage, use and consumption of tangible
21 personal property made within the city, ~~or town~~ or special
22 taxation zone, whichever is appropriate;

23

1 (II) Provisions identical to those
2 contained in article 1 of this chapter, insofar as it
3 relates to use taxes, except the name of the city, ~~or town~~
4 or special taxation zone as the taxing agency shall be
5 substituted for that of the state and an additional license
6 to engage in business shall not be required if the vendor
7 has been issued a state license pursuant to law;

8
9 (III) A provision that any amendments
10 made to article 1 of this chapter or to chapter 15 of this
11 title not in conflict with article 1 of this chapter or to
12 chapter 15 of this title shall automatically become a part
13 of the use tax ordinances of the city, ~~or town~~ or members
14 of the special taxation zone;

15
16 (IV) A provision that the city, ~~or~~
17 town or special taxation zone shall contract with the
18 department prior to the effective date of the use tax
19 ordinances whereby the department shall perform all
20 functions incident to the administration of the use tax
21 ordinances; ~~of the city or town~~;

22

1 (H) Subject to subparagraphs (B) and (J) of
2 this paragraph, if the tax is imposed for a specific
3 purpose and in a specified amount the tax shall terminate
4 when the amount specified in the proposition approved by
5 the electors is collected. A city, ~~or town~~ or special
6 taxation zone may agree to terminate the tax if the tax
7 collected reaches the actual cost of the completed projects
8 and the amount specified in the proposition exceeds the
9 actual cost of the completed projects. A city, ~~or town~~ or
10 special taxation zone shall inform the department that a
11 tax is terminated;

12
13 (J) If a county has not imposed taxes under
14 W.S. 39-16-204(a)(i) and 39-16-204(a)(ii) as provided in
15 subparagraph (B) of this paragraph, ~~the~~ the board of county
16 commissioners may adopt a resolution to authorize cities, ~~and~~
17 ~~and towns~~ and special taxation zones within the county to
18 propose a ~~municipal~~ tax under this paragraph. The
19 resolution shall establish the maximum taxation rate in
20 increments of one-quarter of one percent (.25%) not to
21 exceed a rate of one percent (1%). The proposition by a
22 city, ~~or town~~ or special taxation zone for a ~~municipal~~ tax

1 authorized under this subparagraph shall specify that the
2 ~~municipal~~ tax shall terminate after two (2) years;:-

3
4 (K) If a tax under this paragraph will
5 benefit residents of the county residing beyond the
6 boundaries of a city or town, the city or town may request
7 the board of county commissioners to form a special
8 taxation zone comprising of one (1) or more cities or towns
9 and areas in the county that are outside the boundaries of
10 the city or town. The request to form a special taxation
11 zone shall be filed with the county commissioners. Prior
12 to filing a request with the county commissioners, the
13 request shall be filed with the county assessor, county
14 clerk and the department of revenue which shall review,
15 within sixty (60) days of receiving the request, the
16 boundaries of the proposed zone for any conflict, overlap,
17 gap or other boundary issue and make written comments
18 thereon to be submitted to the county commissioners. The
19 request shall be approved by the governing body of each
20 city or town requested to be part of the special taxation
21 zone prior to submission to the county commissioners. If
22 the request satisfies the requirements of this
23 subparagraph, the county commissioners shall:

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(I) Set a date for a hearing on the petition. The hearing shall be held not less than forty-five (45) days nor more than ninety (90) days after the date the petition is filed;

(II) Cause notice of the hearing to be posted in at least three (3) public places, one (1) of which may be online, and published by two (2) insertions in a newspaper of general circulation in the county in which the zone is proposed to be located. The last of the notices shall be published at least ten (10) business days prior to the hearing. The notice shall state:

(1) The purpose for which the special taxation zone is to be formed;

(2) The boundaries of the proposed zone;

(3) The time and place of the hearing on the request; and

1 (4) That all interested persons
2 may appear and be heard.

3
4 (III) At the time stated in the
5 notice, hear the petition and determine if the area could
6 be benefited by the formation of the special taxation zone.
7 It may adjourn the hearing from time to time, but not
8 exceeding four (4) weeks in all unless additional notice is
9 given. The county commissioners may alter the boundaries
10 set forth in the petition to either include or exclude
11 territory. In determining the boundaries of the proposed
12 zone, the board shall consider the benefit the proposed
13 special taxation zone will have within the areas of the
14 county in or out of the proposed zone. The commissioners
15 shall not modify the boundaries so as to exclude from the
16 proposed zone any land which could be benefited by its
17 formation, nor shall there be included any land which will
18 not, in the judgment of the commissioners, be benefited;

19
20 (IV) If the county commissioners
21 approve the request for formation as presented or as
22 modified, enter an order declaring formation of the special

1 taxation zone. The order shall set forth a description of
2 the boundaries of the special taxation zone.

3

4 **39-16-204. Taxation rate.**

5

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

13

14 (vi) An excise tax at a rate in increments of
15 one-quarter of one percent (.25%) not to exceed a rate of
16 one percent (1%) upon sales and storage, use and
17 consumption of tangible personal property made within the
18 city, ~~or town~~ or special taxation zone, the purpose of
19 which is for general revenue or for a specific purpose in a
20 specified amount as specified in the proposition to impose
21 the tax.

22

23 **39-16-211. Distribution.**

1

2 (d) For all revenue collected by the department from
3 the taxes imposed by W.S. 39-16-204(a)(vi) the department
4 shall:

5

6 (ii) Deposit the remainder into an account for
7 monthly distribution to the city, ~~or~~ town or special
8 taxation zone in which the tax has been imposed which shall
9 only be used by the city, ~~or~~ town or special taxation zone
10 for costs related to the purposes approved in the
11 proposition to impose the tax.

12

13 **Section 2.** This act is effective July 1, 2022.

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(END)