

**CORRECTED COPY**

**FISCAL NOTE**

	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue /(decrease)			
SCHOOL FOUNDATION FUND (12 mills)	(\$0)	(\$5,900,000)	(\$6,100,000)
SCHOOL FOUNDATION FUND (31 mills)	(\$0)	(15,200,000)	(\$15,700,000)
AD VALOREM TAX (local taxing entities)	(\$0)	(\$13,300,000)	(\$13,700,000)

	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Expenditure increase			
LEGISLATIVE STABILIZATION RESERVE ACCT	\$0	\$34,400,000	\$35,500,000

Source of revenue (decrease):

This bill creates a homeowner's property tax exemption up to \$50,000 of fair market value (FMV) not to exceed 25 percent of the total FMV for residential real property used as a primary residence, effective July 1, 2023 (2024 tax year), reducing property taxes beginning in FY 2025. Qualifiers must have been a resident of Wyoming for not less than 5 years prior to claiming the exemption.

Source of expenditure increase:

The Department of Revenue (DOR) would request the State Treasurer to transfer from the Legislative Stabilization Reserve Account the amount required to make up for the revenue decreases. The (DOR) would distribute the amounts to each county.

Assumptions:

The above estimate is based on residential property assessed value and property tax data from the Computer Assisted Mass Appraisal (CAMA) system for the 2022 tax year, provided by the DOR. This tax year 2022 data is adjusted by the projected non-mineral property growth rates reflected in Table 9 of the October 2022 Consensus Revenue Estimating Group (CREG) forecast.

There are 244,260 improved residential accounts in the CAMA system for tax year 2022 with an assessed value of approximately \$7.85 billion. The proposed exemption, if applied to all residential properties, would exempt roughly \$879.4 million in assessed value. The DOR has no way of knowing which residential properties would qualify as a primary residence as this information is not currently tracked in the CAMA system. However, based on Wyoming and County Profiles 2021 data released by the Wyoming Economic Analysis Division (EAD), it is assumed that 59.44% of all residences would be owner occupied. It is assumed that 83% of owner-occupied homeowners have been Wyoming residents for at least 5 years. Based on these percentages and an average mill levy of 70 mills (from CAMA system data), this bill would exempt roughly \$34.4 million in property tax in tax year 2024 (FY 2025) and roughly \$35.5 million in property tax in tax year 2025 (FY 2026). These revenue decreases are broken down in the table above by the revenue decreases in the 12 mills to the SFP, the 31 mills to K-12 local resource and the estimated 27 mills to local taxing entities.

Prepared by: Dean Temte, LSO Phone: 777-7881  
 (Information provided by Brian Judkins, Department of Revenue, 777-5235;  
 Wenlin Liu, Division of Economic Analysis, 777-7702)