

**FISCAL NOTE**

	FY 2024	FY 2025	FY 2026
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue (decrease)			
SCHOOL FOUNDATION FUND (12 mills)	(\$0)	(\$29,700,000)	(\$30,800,000)
AD VALOREM TAX (local taxing entities)	(\$0)	(\$62,000,000)	(\$64,100,000)

	FY 2024	FY 2025	FY 2026
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Expenditure increase			
SCHOOL FOUNDATION FUND (31 mills)	\$0	\$76,800,000	\$79,500,000

Source of revenue (decrease):

This bill creates a property tax exemption for tangible personal property.

Source of expenditure increase:

The School Foundation Program (SFP) will experience both an entitlement expenditure increase and recapture revenue decrease from the 31 mill revenue decrease in K-12 local resource to school districts. The impact from the revenue decrease in the 31 mills is shown above as an expenditure increase from the SFP.

Assumptions:

The above estimate is based on assessed value data for locally assessed personal property from the Computer Assisted Mass Appraisal (CAMA) system for the 2022 tax year, provided by the Wyoming Department of Revenue (DOR). State assessed personal property values are indeterminable and therefore not included in the estimate, as the DOR does not segregate state assessed personal property from total state assessments. 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.

Mobile homes are classified as personal property and assumed exempt.

The 2022 tax year locally assessed value of the personal property categories assumed exempt are provided below:

Commercial personal property	\$ 364,298,460
Industrial personal property	\$1,771,683,721
Mobile homes	<u>\$ 61,154 482</u>
Total	<u>\$2,197,136,663</u>

Based on a total average mill levy of 68.0 mills, this bill would exempt roughly \$168.5 million in property tax in tax year 2024 (FY 2025) and roughly \$174.4 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 25 mills to local taxing entities.

Prepared by: Dean Temte, LSO Phone: 777-7881  
 (Information provided by Brian Judkins, Department of Revenue, 777-5235)