



SF0060

**Sales tax distribution rates.**

Sponsored By: Senator(s) French, Ide, Laursen, D, McKeown, Salazar and Smith, D and Representative(s) Allemand, Banks, Strock, Webber and Winter

AN ACT relating to sales and use tax; revising the distribution rates for sales and use taxes; removing obsolete statutory language; specifying applicability; and providing for an effective date.

12/20/2024 Bill Number Assigned  
1/2/2025 S Received for Introduction  
1/16/2025 S Introduced and Referred to S03 - Revenue  
1/22/2025 S03 - Revenue:Recommend Do Pass 5-0-0-0

**ROLL CALL**

**Ayes:** Senator(s) Case, French, Ide, Mckeown, Pappas  
**Ayes** 5    **Nays** 0    **Excused** 0    **Absent** 0    **Conflicts** 0

1/22/2025 S Placed on General File  
1/23/2025 S COW:Passed

**SF0060S2001/ADOPTED**

Page 2-line 6 Delete "sixty-five".  
Page 2-line 7 Delete "percent (65%)" and insert "fifty percent (50%)".  
Page 3-line 15 Delete "thirty-five percent (35%)" and insert "fifty percent (50%)".  
Page 4-line 8 Delete "sixty-five".  
Page 4-line 9 Delete "percent (65%)" and insert "fifty percent (50%)".  
Page 5-line 15 Delete "thirty-five percent (35%)" and insert "fifty percent (50%)". HICKS

**ROLL CALL**

**Ayes:** Senator(s) Boner, Cooper, Dockstader, French, Gierau, Hicks, Hutchings, Ide, Jones, Kolb, Laursen, Mckeown, Pearson, Salazar, Scott, Steinmetz  
**Nays:** Senator(s) Anderson, Barlow, Biteman, Brennan, Case, Crago, Crum, Landen, Nethercott, Olsen, Pappas, Rothfuss, Schuler, Smith  
**Excused:** Senator Driskill  
**Ayes** 16    **Nays** 14    **Excused** 1    **Absent** 0    **Conflicts** 0

1/24/2025 S 2nd Reading:Passed  
1/27/2025 S 3rd Reading:Laid Back  
1/28/2025 S 3rd Reading:Laid Back

**SF0060S3002/ADOPTED**

Page 1-above line 1 In the catch title, delete "rates".

Page 1-line 2

After "taxes;" insert "revising the formula for the distribution of sales and use taxes;".

Page 1-after line 6

Insert:

"Section 1. W.S. 39-15-111.1 is created to read:

**W.S. 39-15-111.1 Distributions to local governments.**

(a) Of the total amounts available under W.S. 39-15-111(b)(iii) and 39-16-111(b)(iii), the first six million ninety-three thousand seven hundred fifty dollars (\$6,093,750.00) each month, subject to subsection (f) of this section, shall be deposited in the local government distribution account, which is hereby created.

(b) Amounts in the local government distribution account are continuously appropriated to the office of state lands and investments to be allocated pursuant to the following and as further provided in this section. Amounts deposited in the account attributable to sales and use tax collections from July 1 through December 31 of each year shall be calculated and distributed on March 15 of the following calendar year and amounts deposited in the account attributable to sales and use tax collections from January 1 through June 30 of each year shall be calculated and distributed on October 15 of that calendar year, subject to the following:

(i) Two-thirds (2/3) of eighty-nine percent (89%) of the total amount available to be expended from the account shall be used for direct distribution to cities and towns, provided that five percent (5%) of the amount available under this paragraph shall only be distributed for direct distributions to cities and towns using the revenue challenged formula as provided in paragraph (c)(ii) of this section;

(ii) One-third (1/3) of eighty-nine percent (89%) of the total amount available to be expended from the account shall be used for direct distribution to counties;

(iii) Five and one-half percent (5.5%) of the total amount available to be expended from the account shall be used for direct distribution to cities and towns provided that five percent (5%) of the amount available under this paragraph shall only be distributed for direct distributions to cities and towns using the revenue challenged formula as provided in paragraph (c)(ii) of this section;

(iv) Five and one-half percent (5.5%) of the total amount available to be expended from the account shall be used for direct distribution to counties.

[CITY AND TOWN DIRECT DISTRIBUTION ALLOCATIONS]

(c) From the total amount available to be distributed on the dates specified in subsection (b) of this section, the amounts designated in paragraphs (b)(i) and (iii) of this section shall be distributed to cities and towns, subject to the following:

(i) Except as provided in paragraph (ii) of this subsection, from these distributions each municipality with a population of thirty-five (35) or less shall first receive seven thousand five hundred dollars (\$7,500.00) and

each municipality with a population over thirty-five (35) shall first receive seventeen thousand five hundred dollars (\$17,500.00). From the remainder, each municipality shall receive amounts in accordance with a municipal supplemental funding formula as provided in this paragraph. The municipal supplemental funding formula shall be calculated by the office of state lands and investments as follows:

(A) For each fiscal year calculate the per capita sales and use tax revenues available to each municipality using the sales and use tax distributions to each county attributable to the most recently completed odd numbered fiscal year for distributions under this paragraph during an odd numbered calendar year and the sales and use tax distributions to each county attributable to the most recently completed even numbered fiscal year for distributions under this paragraph during an even numbered calendar year, including distributions to each municipality within that county, under W.S. 39-15-111 and 39-16-111, but excluding any distributions under this section;

(B) Calculate the inverse by dividing one (1) by the per capita sales and use tax determined under subparagraph (A) of this paragraph for each municipality;

(C) Calculate the normalized per capita sales and use tax number for each municipality by dividing the number determined under subparagraph (B) of this paragraph for the municipality by the total of all inverse per capita sales and use tax numbers calculated under subparagraph (B) of this paragraph;

(D) Multiply the normalized per capita sales and use tax number for each municipality determined under subparagraph (C) of this paragraph by seventy-five percent (75%);

(E) For each fiscal year calculate the per capita assessed value for the prior tax year corresponding to the most recently completed calendar year for each municipality by dividing the total assessed valuation within the municipality by the population of the municipality;

(F) Calculate the inverse by dividing one (1) by the per capita assessed value determined under subparagraph (E) of this paragraph for each municipality;

(G) Calculate the normalized per capita assessed value number for each municipality by dividing the number determined under subparagraph (F) of this paragraph for the municipality by the total of all inverse per capita assessed value numbers calculated under subparagraph (F) of this paragraph;

(H) Multiply the normalized per capita assessed value number for each municipality by twenty-five percent (25%);

(J) Multiply the sum of subparagraphs (D) and (H) of this paragraph by the population of the municipality;

(K) Calculate the normalized index for each municipality by dividing the number determined under subparagraph (J) of this paragraph for the municipality by the sum of all numbers calculated under subparagraph (J) of this paragraph;

(M) Determine the amount to distribute to each municipality by multiplying the normalized index number determined under subparagraph (K) of this paragraph by the amount remaining available for distribution under this paragraph.

(ii) From the amounts specified in paragraphs (b)(i) and (iii) of this section, each city or town shall receive amounts in accordance with a city and town revenue challenged formula as provided in this paragraph. The revenue challenged formula shall be calculated by the office of state lands and investments as follows:

(A) For each fiscal year, calculate the lowest quartile amount received by cities and towns on a per capita basis using amounts received under this section plus amounts distributed to each city and town using the sales and use tax distributions to each county attributable to the most recently completed odd numbered fiscal year for distributions under this paragraph during an odd numbered calendar year and the sales and use tax distributions to each county attributable to the most recently completed even numbered fiscal year for distributions under this paragraph during an even numbered calendar year, including distributions to each municipality within that county, under W.S. 39-15-111 and 39-16-111, but excluding any distribution made under this section;

(B) Determine each city or town that received a per capita amount that is less than the lowest quartile amount determined under subparagraph (A) of this paragraph;

(C) For each city or town that received a per capita amount that is less than the lowest quartile amount as identified in subparagraph (B) of this paragraph, determine the amount that would be necessary to increase the per capita amount distributed to that city or town to the lowest quartile amount determined under subparagraph (A) of this paragraph;

(D) Determine the amount to distribute to each city or town that received an amount that is less than the lowest quartile amount determined under subparagraph (A) of this paragraph by distributing the amount available under this paragraph on a pro rata basis, up to the lowest quartile amount, based on the amounts determined under subparagraph (C) of this paragraph.

[COUNTY DIRECT DISTRIBUTION ALLOCATIONS]

(d) From the total amount available to be distributed on the dates specified in subsection (b) of this section, the amounts designated in paragraphs (b)(ii) and (iv) of this section are to be distributed to counties as provided in this subsection. From these distributions each county shall receive the following:

(i) From these distributions each county with an assessed value for the prior tax year corresponding to the most recently completed calendar year of less than three hundred thousand dollars (\$300,000.00) per mill shall first receive an amount equal to one and one-half (1.5) times the difference between three hundred thousand dollars (\$300,000.00) and the actual value of one (1) mill within the county. From the remainder, each county shall receive amounts in accordance with a county supplemental funding formula as provided in this paragraph. The county supplemental funding formula shall be calculated by the office of state lands and investments as follows:

(A) For each fiscal year calculate the per capita sales and use tax revenues available to each county using the sales and use tax distributions to each county attributable to the most recently completed odd numbered fiscal year for distributions under this paragraph during an odd numbered calendar year and the sales and use tax distributions to each county attributable to the most recently completed even numbered fiscal year for distributions under this paragraph during an even numbered calendar year, excluding distributions under this section and excluding distributions to each municipality within that county, under W.S. 39-15-111 and 39-16-111;

(B) Calculate the inverse by dividing one (1) by the per capita sales and use tax determined under subparagraph (A) of this paragraph for each county;

(C) Calculate the normalized per capita sales and use tax number for each county by dividing the number determined under subparagraph (B) of this paragraph for the county by the total of all inverse per capita sales and use tax numbers calculated under subparagraph (B) of this paragraph;

(D) Multiply the normalized per capita sales and use tax number determined under subparagraph (C) of this paragraph for each county by twenty-four percent (24%);

(E) For each fiscal year calculate the per capita assessed value for each county by dividing the total assessed valuation within the county for the prior tax year corresponding to the most recently completed calendar year by the population of the county;

(F) Calculate the inverse by dividing one (1) by the per capita assessed value determined under subparagraph (E) of this paragraph for each county;

(G) Calculate the normalized per capita assessed value number for each county by dividing the number determined under subparagraph (F) of this paragraph for the county by the total of all inverse per capita assessed value numbers calculated under subparagraph (F) of this paragraph;

(H) Multiply the normalized per capita assessed value number determined under subparagraph (G) of this paragraph for each county by seventy-six percent (76%);

(J) Calculate a cost of government index for each county by multiplying six hundred twenty-eight (628) by the population of the county and then adding nine million nine hundred thousand (9,900,000) to the result;

(K) Calculate the normalized cost of government index number for each county by dividing the number determined under subparagraph (J) of this paragraph for the county by the total of all cost of government index numbers calculated under subparagraph (J) of this paragraph;

(M) Multiply the sum of subparagraphs (D) and (H) of this paragraph by the normalized cost of government index number determined in subparagraph (K) of this paragraph for each county;

(N) Calculate the normalized index for each county by dividing the number determined under subparagraph (M) of this paragraph for the

county by the total of all numbers calculated under subparagraph (M) of this paragraph;

(O) Determine the amount to distribute to each county by multiplying the normalized index number determined under subparagraph (N) of this paragraph by the amount remaining available for distribution under this paragraph.

(e) For purposes of this section, population is to be determined by resort to the most recent decennial federal census as reported by the economic analysis division within the department of administration and information.

(f) The amount of six million ninety-three thousand seven hundred fifty dollars (\$6,093,750.00) as specified in subsection (a) of this section shall be adjusted for inflation annually by the office, using the consumer price index or its successor index of the United States department of labor, bureau of labor statistics."

Page 1-line 8 Delete "**Section 1.**" and insert "**Section 2.**".

Page 2-line 14 Strike "equivalent to one".

Page 2-lines 15 through 21 Strike all existing language.

Page 2-line 22 Strike through "state" and insert "each month as specified in W.S. 39-15-111.1 for deposit in the local government distribution account".

Page 4-line 16 Strike "equivalent to one".

Page 4-lines 17 through 23 Strike all existing language.

Page 5-line 1 Strike through "state" and insert "each month as specified in W.S. 39-15-111.1 for deposit in the local government distribution account". HICKS

**SF0060S3001/ADOPTED**

Page 5-line 21 Delete "2025" and insert "2026".

Page 6-line 1 Delete "2025" and insert "2026". SCOTT

**SF0060S3003/ADOPTED**

Delete the Hicks second reading amendment (SF0060S2001/A), the Scott third reading amendment (SF0060S3001/A) and the Hicks third reading amendment (SF0060S3002/A) entirely. FRENCH

1/29/2025 S 3rd Reading:Passed 30-0-1-0-0

**ROLL CALL**

**Ayes:** Senator(s) Anderson, Barlow, Biteman, Boner, Brennan, Case, Cooper, Crago, Crum, Dockstader, Driskill, French, Gierau, Hicks, Hutchings, Ide, Jones, Kolb, Landen, Laursen, Mckeown, Nethercott, Olsen, Pappas, Pearson, Rothfuss, Salazar, Schuler, Scott, Steinmetz

**Excused:** Senator Smith

**Ayes** 30    **Nays** 0    **Excused** 1    **Absent** 0    **Conflicts** 0

1/29/2025 H Received for Introduction

2/10/2025 H Introduced and Referred to H02 - Appropriations