

FISCAL NOTE

This bill expands the current veterans' exemption from including only combat or disabled honorably discharged veterans to also include active-duty members of the armed services, non-combat veterans, active Wyoming guard members, and Wyoming guard veterans. Further, the bill decreases the time an applicant must be considered a resident in Wyoming to claim the exemption from three years to one year. This bill would apply to ad valorem tax assessed beginning January 1, 2026.

W.S. 39-13-102(k) requires the State Treasurer Office (STO) to reimburse county treasurers for the property taxes which would have been collected if the property was not exempt, out of funds appropriated for that purpose. The bill would result in an expenditure increase in reimbursements from the STO provided to counties that approve these exemptions. The Veterans' Property Tax Exemption Program (Program) appropriation is included in STO's budget. The Department of Revenue (DOR) establishes the rules for the program, works directly with county assessors to track the exemptions and valuations from the program, and compiles a reimbursement report for the STO on which to base reimbursement payments made directly to counties.

The DOR estimates the expenditure increase from this bill of approximately \$11,400,000 in tax year 2026 (FY 2027), \$11,400,000 in tax year 2027 (FY 2028), and approximately \$11,400,000 in tax year 2028 (FY 2029).

The estimate provided by the DOR is calculated using data from Military State Policy Source, the Wyoming Military Department, the Wyoming Economic Analysis Division's 2024 Profile, and the DOR's Annual report. The estimate assumes all qualifying veterans or service members would make use of the exemption. The calculation uses the statewide average mill levy of 69.187 and assumes the full \$6,000 of assessed value benefit will be expended. The expenditure increase was calculated by determining the estimated number of qualifying individuals under the proposed legislation (46,817), subtracting the current veterans enrolled in the existing program (19,528), and then applying the assessed value benefit amount and average mill levy to determine the tax dollars exempted.

This expenditure increase is also reflected in the Agency Estimate of Administrative Impact prepared by the STO.

NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.

The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

State Treasurer's Office

Prepared by: Dalton Quilty, LSO Phone: 777-7881
(Information provided by Kenneth Guille, Department of Revenue, (307) 777-5235;
Mel Muldrow, Military Department, (307) 777-8100; Samantha Dailey, State
Treasurer's Office, (307) 777-7408)