



Notice of Intent to Adopt Rules

Revised July 2013

1. General Information

a. Agency/Board Name		
b. Agency/Board Address	c. City	d. Zip Code
e. Name of Contact Person	f. Contact Telephone Number	
g. Contact Email Address		
h. Date of Public Notice	i. Comment Period Ends	
j. Program		

2. Rule Type and Information: For each chapter listed, indicate if the rule is New, Amended, or Repealed.

If "New," provide the Enrolled Act numbers and years enacted:

a. Provide the Chapter Number, Short Title, and Rule Type of Each Chapter being Created/Amended/Repealed

Please use the Additional Rule Information form for more than 10 chapters, and attach it to this certification.

Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended	<input type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended	<input type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended	<input type="checkbox"/> Repealed
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Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended	<input type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended	<input type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended	<input type="checkbox"/> Repealed

c. ☐ The Statement of Reasons is attached to this certification.

d. ☐ N/A ☐ In consultation with the Attorney General's Office, the Agency's Attorney General representative concurs that strike and underscore is not required as the proposed amendments are pervasive (Section 5 of the Rules on Rules).

e. A copy of the proposed rules* may be obtained:

☐ By contacting the Agency at the physical and/or email address listed in Section 1 above.

☐ At the following URL: _____

* If Item "d" above is not checked, the proposed rules shall be in strike and underscore format.

3. Public Comments and Hearing Information

a. A public hearing on the proposed rules has been scheduled. ☐ Yes ☐ No

If "Yes:"	Date:	Time:	City:	Location:

b. What is the manner in which interested persons may present their views on the rulemaking action?

☐ By submitting written comments to the Agency at the physical and/or email address listed in Section 1 above.

☐ At the following URL: _____

A public hearing will be held if requested by 25 persons, a government subdivision, or by an association having not less than 25 members.

Requests for a public hearing may be submitted:

☐ To the Agency at the physical and/or email address listed in Section 1 above.

☐ At the following URL: _____

c. Any person may urge the Agency not to adopt the rules and request the Agency to state its reasons for overruling the consideration urged against adoption.

Requests for an agency response must be made prior to, or within thirty (30) days after adoption, of the rule, addressed to the Agency and Contact Person listed in Section 1 above.

4. Federal Law Requirements

a. These rules are created/amended/pealed to comply with federal law or regulatory requirements. ☐ Yes ☐ No

If "Yes:"	Applicable Federal Law or Regulation Citation:
	Indicate one (1): <input type="checkbox"/> The proposed rules meet, but do not exceed, minimum federal requirements. <input type="checkbox"/> The proposed rules exceed minimum federal requirements.
	Any person wishing to object to the accuracy of any information provided by the Agency under this item should submit their objections prior to final adoption to: <input type="checkbox"/> To the Agency at the physical and/or email address listed in Section 1 above. <input type="checkbox"/> At the following URL: _____

5. State Statutory Requirements

a. Indicate one (1):

☐ The proposed rule change *MEETS* minimum substantive statutory requirements.

☐ The proposed rule change *EXCEEDS* minimum substantive statutory requirements. Please attach a statement explaining the reason that the rules exceed the requirements.

b. Indicate one (1):

☐ The Agency has complied with the requirements of W.S. 9-5-304. A copy of the assessment used to evaluate the proposed rules may be obtained:

☐ By contacting the Agency at the physical and/or email address listed in Section 1 above.

☐ At the following URL: _____

☐ Not Applicable.

6. Authorization

a. I certify that the foregoing information is correct.

Printed Name of Authorized Individual	
Title of Authorized Individual	
Date of Authorization	

Distribution List:

- Attorney General and LSO: Hard copy of Notice of Intent; Statement of Reasons; clean copy of the rules; and strike-through and underline version of rules (if applicable). *Optional:* electronic copies of all items noted (in addition to hard copies) may be emailed to LSO at Criss.Carlson@wyoleg.gov.
- Secretary of State: Electronic version of Notice of Intent sent to Rules@wyo.gov.

WYOMING DEPARTMENT OF REVENUE

Statement of Principal Reasons for Adoption of Rules

The following rationale is presented for the changes to Department of Revenue, Rules and Regulations, **Chapter 7, “Property Tax Valuation Methodology and Assessment (Department Assessments)”**.

The Department is amending these rules in an effort to simplify and clarify existing rules pursuant to the Governor’s streamlining government initiative.

In an effort to remove language from Department rule that is in Wyoming Statute and remove redundancy within Chapter 7 the Wyoming Department of Revenue needs to modify the chapter as follows:

1. Title: Changes the term “Ad Valorem” to “Property Tax” to better define the actual functions of the Department.
2. All Sections: (a) clarified the Department assessed companies and the term Department and (b) removed all references to Wyoming Statutes that were duplications or unnecessary references.
3. Section 3 clarified the properties subject to Department assessment on January 1st of each year.
4. Section 4 (a) added cleaner language on “Best Information Appraisal” (iii) cleanup language on comparable companies. Deleted subsection (b)(i) as the discussions are explained in the Capitalization Rate Section.
5. Section 5 (b) changed the extension period from 30 days to 15 days to follow current practices (c) clarified the required supplemental documents to be filed and (d) revised the “Leased Property” portion to comply to Wyoming Statutes and Department assessment practices.
6. Section 6 (iii) removed (A) and rewrote “the Income or Capitalized Earnings Approach” for clearer language. Revised (I)(1) and re-defined “Yield Capitalization” language. Added (II)(1-5) for “Direct Capitalization” to correspond to Department assessment practices and appraisal methodology from the 1995 audit. Deleted former (I) (iii).
7. Section 7 (A-D) removed unnecessary or corrected financial publication reference titles (b) clarified the Capitalization Rate meeting time frame and notification process for final Capitalization Rates on the Department website.
8. Section 8 removed unnecessary Intangible exemption language and referred to existing Department Rules and Regulations, Chapter 14, Section 11.
9. Section 11 clarified geographical area’s to mean county and tax districts with a county, added to (a) and (b) the term “Identify” to be more specific to the information requested.
10. Section 12 clarified the Department company inspection process and changed the length of time between company inspections from 4 years to 6 years to correspond to the same time periods for local assessment property inspections.
11. Section 13 removed unnecessary Wyoming Statutory references and Level of Assessment Language.

12. Section 14 (a) clarified the “Informal Conference” language and process for requesting an informal conference and the notice of confirmation of the conference for the taxpayer.
13. Section 16 clarified the Final market Valuation notification process to the taxpayer.

WYOMING DEPARTMENT OF REVENUE

Statement of Principal Reasons for Adoption of Rules

The following rationale is presented for the changes to Department of Revenue, Rules and Regulations, **Chapter 8, “Property Tax Valuation Methodology and Assessment (Car Companies)”**.

The Department is amending these rules in an effort to simplify and clarify existing rules pursuant to the Governor’s streamlining government initiative.

In an effort to remove language from Department rule that is in Wyoming Statute and remove redundancy within Chapter 8 the Wyoming Department of Revenue needs to modify the chapter as follows:

1. Title: Changed the term” Ad Valorem” to “Property Tax” consistent with other Property Tax section chapters.
2. All Sections: removed all references to Wyoming Statutes that were duplications or unnecessary to the rules revisions.
3. Section 2 changed the purpose of the rules to just the language necessary to describe the chapter functions.
4. Deleted old Sections 3.
5. Section 3 (old Section 4) removed unnecessary statutory cites, (e) added term “Property Tax Division” and (g) removed word “Assessments” to just “State Appraiser” for use through the chapter.
6. Section 4 (old Section 5) clarified (a) the reporting requirements of Private Rail Cars and revised the language to be consistent with Department assessment requirements. Deleted old (b) in its entirety since already in statute. New (b) changed the period for extension requests from 30 days to 15 days to follow current practices, new (c) defined the “Best Information Available” appraisal methodology and the appropriate statutes for both appraisal and penalties and new (d) added language on the notification of Time/Speed Studies and the studies application.
7. Section 5 (old Section 6) clarifies the valuation process, and explains the use of car costs, railroad company reports and recognized publications from or about the industry. Language related to time/speed study removed. Deleted all of the remaining parts of (d)(A-E) as already set forth in statute.
8. Section 6 (old Section 7) deleted the 1st paragraph of section since duplicates other sections. Added new subsections (a) on car mileage reports, (b) preliminary notice of taxable value, (b)(i) informal conference requests, (b)(ii) requests for conferences and method of notification for conferences to taxpayer. These additions better explain the appraisal process
9. Section 7 combines original sections 8 and 9 to combine billing and payment information.
10. Old Section 10, (a)(i-ii)(b,c) were all deleted as they were incorporated into other new sections.
11. Section 8 (old Section 11)

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Statement of Principal Reasons for Adoption of Rules

The following rationale is presented for the changes to Department of Revenue, Rules and Regulations, **Chapter 10, “Designation of Agricultural and Non-Agricultural Lands for Property Taxation.”** and **Chapter 11 “Ad Valorem Classification, Valuation, Methodology, and Assessment for Designated Agricultural Land”**

The Department is amending these rules in an effort to simplify and clarify existing rules pursuant to the Governor’s streamlining government initiative.

In an effort to remove language from Department rule that is in Wyoming Statute and remove redundancy within Chapters 10 and 11 the Wyoming Department of Revenue is combining chapter 11 into Chapter 10. The rules modify Chapter 10 and incorporate language from Chapter 11. The Department is repealing Chapter 11 in its entirety. Additional changes include:

1. Chapter 10 renamed “Designation, Classification and Valuation of Agricultural Lands for Property Taxation”.
2. Change all references from Property Tax Division to Department.
3. Section 1 adds statutory reference for specific agricultural land statutes.
4. Section 2 incorporates the purpose originally found in Chapter 11 Section 2.
5. Section 3 removes definitions currently found in Title 39, adds definitions from Chapter 11 Section 3, and modifies some to reduce redundancy.
6. Section 4 deleted because it is already addressed in the Department’s Chapter 9 County Assessment Methods. The new incorporated Section 4, Agricultural Land Productivity Classification, originally found in Chapter 11, identifies Department of Revenue responsibilities in (a) and County Assessor responsibilities in (b).
7. Section 5 incorporates Department of Revenue responsibilities in (b) and County Assessor responsibilities in (c) as it relates to Agricultural Land Valuation originally found in Chapter 11 Section 5.
8. Section 6 is renumbered from Section 5 and references the Prescribed Sworn Affidavit previously found in Section 5 which follows with minor changes to update the necessary information for the agricultural land classification.

WYOMING DEPARTMENT OF REVENUE

Statement of Principal Reasons for Adoption of Rules

The following rationale is presented for the changes to Department of Revenue, Rules and Regulations, **Chapter 13, “Property Tax Appraiser Education and Certification”**

The Department is amending these rules in an effort to simplify and clarify existing rules pursuant to the Governor’s streamlining government initiative.

1. Change all references from State to Department.
2. Section 3 incorporates “In service training programs” and “continuing education” definitions into the definition of “Accredited educational Course”. 3(f) adds a new course entitled “Wyoming Assessment Practices” and defines responsibility for development and content. In 3(g) “Property Tax Appraiser” now defined as stated in W.S. 18-3-201(c) and removes specific functions. Section 3 includes new definitions for “Valuation Judgments” “Proctor” and “IAAO”.
3. Section 4(a) clarifies responsibilities of Administrator as it relates to a list of accredited educational courses and tentative schedule for the courses to be offered also adding language moved from (c). (c) Identifies process for seeking approval of courses not on the accredited educational course list and adds specific topics that may be considered. Remove language in (d) and (e). (f) Adds requirement that the Department develop the “Wyoming Assessment Practices” course. (g) Requires students submit copies of certificates of completion for courses that are not sponsored by the Department.
4. Section 5 is reorganized to be more reader friendly. 5(g) contains all provisions related to Permanent Certification and 5(h) outlines provisions for Temporary Certification.
5. Section 6 replaces detailed list of IAAO course titles with IAAO Tested Courses and Tested Workshops, and adds Wyoming Assessment Practices.
6. Section 7 adds language requiring that the Department provide a report to the State Board of Equalization listing individuals achieving certification. Also, adds requirement that the Department provide list of assessor/staff achieving certification to the appropriate board of county commissioners no later than March 1.
7. Section 8 is amended to accurately reflect statutory language.

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Statement of Principal Reasons for Adoption of Rules

The following rationale is presented for the changes to Department of Revenue, Rules and Regulations, **Chapter 14, “Property Tax Exemption Standards.”, Chapter 15 “Veterans Exemption” and Chapter 16 “Pollution Control and Fire Suppression Property Exemptions”.**

The Department is amending these rules in an effort to simplify and clarify existing rules pursuant to the Governor’s streamlining government initiative.

In an effort to remove language from Department rule that is in Wyoming Statute and remove redundancy within Chapters 14, 15 and 16, the Wyoming Department of Revenue needs to modify Chapter 14, “Property Tax Exemption Standards.” Incorporate language from Chapter 15 “Veterans Exemption” and Chapter 16 “Pollution Control and Fire Suppression Property Exemptions”. Also repeal Chapters 15 & 16.

1. Section 1 removes general language related to rules and expands statutory references from Chapters 15 & 16.
2. Section 2 added to state purpose of Chapter 14.
3. Section 3 (a) adds that the assessor is the custodian for application related to county assessed property. (b) Adds that the department is the custodian for application related to department assessed property. (d) incorporates language currently found in Chapter 16 but pertinent to all exemptions.
4. Section 5 removes statutory references in (a)(iii) and (iv). Adds (a)(v) stating Vacant land is not recognized as a governmental purpose.
5. Section 8 incorporates notification, decision and appeal language currently existing in Chapter 16 rules.
6. Section 10 incorporates notification, decision and appeal language currently existing in Chapter 16 rules.
7. Section 11 removes Intangible exemption language found in 39-11-105(b).
8. Section 16 added to include Veterans Exemption language currently found in Chapter 15 rules. Also, adds (g)(i) requiring county assessors to enter all veteran exemption claims in the Veterans Exemption Database provided by the Department.
9. Section 20 Taxpayer rights is removed.
10. Repeal Chapter 15 in its entirety.
11. Repeal Chapter 16 in its entirety.

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Statement of Principal Reasons for Adoption of Rules

The following rationale is presented for repealing Department of Revenue, Rules and Regulations, **Chapter 17, “Property Tax Deferral.”**

The Department is repealing Chapter 17 in its entirety. W.S.39-13-107(b)(iii)(A) requires The County Board of county commissioners promulgate rules and regulations necessary to administer the provisions of property tax deferral. Such rules must then be submitted to the department of revenue. Provisions are outlined in statute and restating in department of revenue rule is redundant.

WYOMING DEPARTMENT OF REVENUE

Statement of Principal Reasons for Adoption of Rules

The following rationale is presented for the changes to Department of Revenue, Rules and Regulations, **Chapter 19, “Property Tax Relief Program”**

The Department is amending these rules in an effort to simplify and clarify existing rules pursuant to the Governor’s streamlining government initiative. Updates also include statutory changes that occurred in 2008 and 2009.

In an effort to remove language from Department rule that is in Wyoming Statute and reorganize in a reader friendly manner.

1. Changed the name of this chapter to “Property Tax Refund Program” to reflect the repeal of the “Property Tax Relief Program” in 2008 and the creation of the Property Tax Refund Program.
2. Update requirement that property taxes must be paid by the application deadline and delete language requiring a reduction in the refund for veteran’s exemption, home owner tax credit and property tax deferral program pursuant to 2009 statutory changes.
3. Update qualifying requirement for household income from one half (1/2) to three fourths (3/4) of the median gross household income for the applicants county of residence pursuant to 2009 statutory changes.
4. Update value of total household assets from twenty thousand dollars (\$20,000) to one hundred thousand dollars (\$100,000) per adult member of the household pursuant to 2009 statutory changes.
5. Clarify items to be excluded from household assets test changing language from the house and land to value of the home, one personal motor vehicle per adult in the household and adding assets held in a medical savings account pursuant to 2008 statutory change. Other items on the list remain the same.

WYOMING DEPARTMENT OF REVENUE
CHAPTER 7
PROPERTY TAX VALUATION METHODOLOGY AND
ASSESSMENT (DEPARTMENT ASSESSMENTS)

Section 1. Authority.

These Rules are promulgated under the authority of W.S. 39-11-102(b).

Section 2. Purpose of Rules.

These rules are intended to describe the valuation methodology to be used to determine the taxable value of Department assessed companies' properties for ad valorem tax purposes. The formulae, methods, systems, standards, and criteria to be used by the Department of Revenue to determine fair market value are set forth herein.

Section 3. Duties of the Department of Revenue.

(a) The Property Tax Division is hereby delegated the authority to appraise and value all property specified in W.S. 39-13-102(m)(ii-ix) (Department assessed company or Department assessed companies).

(b) All real and personal property existing on January 1 of each year is subject to assessment, except as otherwise specifically exempt by Wyoming Statutes.

Section 4. Definitions.

For the purpose of ad valorem taxation under these rules, the definitions set forth in Title 39, as amended, are incorporated herein by reference. In addition, the following definitions shall apply:

(a) "Best Information Appraisal" means the calculation of taxable value based upon the most recently filed annual report adjusted by other best information available, including:

- (i) The producer price index, if applicable;
- (ii) Recognized financial measures of economic conditions; and
- (iii) Comparison to the most comparable Department assessed companies.

(b) "Department" means the Department of Revenue, the Property Tax Division, and/or its authorized agent.

(c) "Depreciation" means a loss of utility and hence value from any cause. Depreciation may take the form of physical depreciation, functional obsolescence, or external obsolescence.

(i) "Physical Depreciation" means the physical deterioration as evidenced by wear and tear, decay or depletion of the property.

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(ii) "Functional Obsolescence" means the impairment of functional capacity or efficiency, which reflects a loss in value brought about by such factors as defects, deficiencies, or super adequacies, which affect the property item itself or its relation with other items comprising a larger property.

(iii) "External Obsolescence" means impairment of desirability or useful life arising from factors external to the property, such as economic forces or environmental changes which affect supply-demand relationships in the market. Methods to measure economic obsolescence include:

(A) Capitalization of the income or rent loss attributable to the negative influence;

(B) Comparison of sales of similar properties which are subject to the negative influence with others which are not.

(C) Identification of factors specifically analogous to the property, i.e. investments, capacities, and/or industry relationships.

(e) "Discount rate" means a firm's opportunity cost or weighted average cost of available capital. A discount rate is used to discount future cash flows back to their present value. A discount rate becomes a capitalization rate with the addition of a capital recapture rate.

(f) "Appreciation" means an increase in value due to an increase in cost to reproduce, value over the cost, or value at some specified earlier point in time, brought about by greater demand, improved economic conditions, increasing price levels, reversal of depreciating environmental trends, or other factors as defined in the market.

(g) "Fair market value" is defined as the amount in cash, or terms reasonably equivalent to cash, that a well informed buyer is justified in paying for a property and a well informed seller is justified in accepting, assuming that neither of the parties thereto are acting under undue compulsion and assuming further that the property has been offered in the market place for a reasonable time.

(h) "Non-operating Property" means all Department assessed companies' property, owned or leased, not used in operations.

(i) "Operating Property" means all property which is owned, leased, or otherwise used exclusively in Department assessed companies' operations.

(j) "Department Appraiser" means Department personnel with specific job responsibilities for appraisal of Department assessed companies' .

(k) "Unitary valuation" is the process of determining the value of a company as a whole without reference to individual parts. The unitary approach is used in the valuation of properties which derive their value from interdependent assets working together. The market value is not a summation of fractional appraisals, but the value of a company as an operating unit.

Section 5. Annual Reporting Requirements.

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(a) Each Department assessed company shall submit an annual report to the Department on or before the mandatory dates specified by statute.

(b) Any request for extension of the filing deadline shall be submitted in writing prior to the statutory due date. Extensions shall not be granted for greater than fifteen (15) calendar days.

(c) All requested information and required supplemental documents shall be included with the report filing. Failure to file a report form or an incomplete report shall require the Department to appraise the company by a best information appraisal as defined by this chapter and subject those companies to the penalties specified in W.S. 39-13-108.

(d) Leased Property. Each Department assessed company's annual report shall include schedules for reporting non-capitalized leased real property including improvements and equipment used in the company's operations. All non-capitalized leased property used in connection with a company's operating property shall be valued and assessed as if owned.

Section 6. Appraisal Methods.

The appraisal techniques which the Department may use include the approaches described in this section. Each approach used shall be an appropriate method for the type of property being valued; that is, the property shall fit the assumptions inherent in the appraisal method in order to calculate or estimate the fair market value of the property. Each approach used shall also consider the nature of the property or industry, and the regulatory and economic environment within which the property operates.

(a) The Department appraisers shall estimate fair market value utilizing specific appraisal standards which reflect three distinct methods of data analysis: i.e. sales comparison or market; cost; and income capitalization. One or more of these approaches shall be considered in all determinations of value, except when utilizing a "best information appraisal".

(i) Market Approaches to Value

(A) The Sales Comparison. The comparable sales approach is an appropriate method of valuation where there is an adequate number of reliable arms-length sales and the properties subject to such sales are similar to the property being valued. Comparable sales shall be adjusted to reflect differences in time, location, size, physical attributes, financing terms or other differences which affect value. The use of this approach to value depends upon:

(I) The availability of comparable sales data;

(II) The verification of the sales data;

(III) The degree of comparability or extent of adjustment necessary for time differences; and

(IV) The absence of non-typical conditions affecting the sales price.

(B) The Stock and Debt. The stock and debt approach is a method of estimating the value of property based on the premise that the total assets (property) are equal to the total liabilities plus owner's equity. This approach substitutes for the conventional market data

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approach by equating market prices at which fractional interests in the property, or similar properties, have recently sold recognizing other existing claims on assets and premiums paid to acquire entire interests. The approach is normally used when there are not sales of whole properties comparable to the subject property.

(ii) Cost Approaches to Value

(A) Replacement Cost. The replacement cost approach is a method of estimating the value of property based upon the cost of construction at current prices of a substitute property which provides utility or usefulness equivalent to the property being appraised, constructed with modern materials and according to current standards, design, and layout. The replacement cost shall consider all forms of depreciation and appreciation. The appraised value of associated land shall be added to the depreciated replacement cost.

(B) Reproduction Cost. The reproduction cost approach is a method of estimating the value of property based upon the cost of construction at current prices of an exact duplicate or replica using the same materials, construction standards, design, layout, and quality of workmanship, embodying all the deficiencies, super adequacies and obsolescence of the subject building. The reproduction cost shall consider all forms of depreciation and appreciation. The appraised value of associated land shall be added to the depreciated reproduction cost.

(C) Historical Cost. The historical cost approach is a method of estimating the value of property based upon the actual or first cost of property at the time it was originally constructed and placed in service. In an assembled property, the historical cost as of any date means, the first cost as defined, plus all subsequent additions and replacements less deduction or removals. The historical cost shall consider all forms of depreciation and appreciation. Items such as construction work in progress, plant held for future use, acquisition adjustments, non-capitalized leased property, materials, supplies and other items shall also be included to the extent they are taxable and not otherwise valued.

(iii) Income Capitalization to Value

(A) The Income or Capitalized Earnings Approach. In the income capitalization approach, an appraiser analyzes a property's capacity to generate future by converting anticipated benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to the approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence or enhancement in the cost approach.

(I) Yield Capitalization is used to convert future benefits, typically a periodic income stream and reversion, into present value by discounting each future benefit at an appropriate yield rate or by applying an overall rate that explicitly reflects the investment's income pattern, change in value and yield rate.

(1.) Net operating income or cash flow is discounted to fair market value using a capitalization rate developed by the methods described in Section 7 of this Chapter.

(2.) For the purposes of this subsection, cash flow is the difference between dollars paid and dollars received. Dollars received include all revenues generated from operating assets. Dollars paid include all current expenses and capital expenditures, or annual

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allowances therefore, required to develop and maintain the income stream. Cash flow must also take into account all legally enforceable restrictions on the property.

(II) Direct Capitalization is a comparable sales technique that utilizes units of comparison. Each unit is divided by a sales price....There are three levels of comparison: equity, preferred, and long-term interest paid.

(1.) For the equity comparison, the market value is obtained using six (6) units of comparison utilized in development of capitalization ratios: Revenue, Cash Flow, Earnings, Dividends, Capital Spending and Book Value. The price per share is used to develop the average unit ratio comparisons.

(2.) For the preferred comparison, the market value is obtained by dividing the preferred dividends paid by the company by the market preferred yield of that rated stock.

(3.) For the long term debt comparison, the market value is obtained by dividing the company's long term interest expense by the appropriate debt yield for the appropriate debt rating.

(4.) The values achieved through the three comparisons are totaled together to develop an estimate of total value for the company.

(5.) All non-operating and/or other exempt property included in the total value shall be removed to arrive at a fair market value for the subject company using the Direct Capitalization method.

Section 7. Capitalization Rate Development

(a) The capitalization rate is any rate used to convert an income stream into a present worth of future benefits. The rate reflects the relationship between one year's income or an annual average of several years' income and the corresponding value. The Department shall annually calculate capitalization rates based upon the band of investment method as defined by these rules for all Department assessed industries. The primary components of the rate shall include capital structure (book, market and/or regulatory) as determined for the industry and/or company being appraised (if industry data is not available or applicable) and cost of capital (debt, preferred, and equity) as developed in appropriate money markets.

(i) Band-of-investment shall mean the method based on the concept that the capitalization rate is equal to the weighted average cost of the debt and equity portions of the capital investment. Proper development and application of the band-of-investment requires obtaining and analyzing data by industry type for:

(A) The percent of debt and equity which makes up the capital structure as determined from published financial sources (Mergents Bond Record, regulatory reports or other recognized financial materials available to the Department). The determination shall be done by industry type and subgrouping (if sufficient data is available for review) by corporate bond rating or other means if bond ratings are not available.

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(B) Debt rate estimates used in the band-of-investment method shall reflect the average current cost of yield to maturity of outstanding issues of debt financing for the year ending closest to the lien date of appraisal. The rates shall be taken from published financial sources (Mergents Bond Record, Standard and Poor's Record, Public Utility Financing Tracker and/or other recognized financial materials available to the Department). The determination shall be done by industry type and sub-grouping (if sufficient data is available for review) by corporate bond rating or other means if bond ratings are not available.

(C) Preferred rate estimates used in the band-of-investment method shall reflect the average current cost of market yield of outstanding issues of preferred stock financing for the year ending closest to the lien date of appraisal. The rates shall be taken from published financial sources (Mergents Bond Record, Standard and Poor's Record, Public Utility Financing Tracker and/or other recognized financial materials available to the Department). The determination shall be done by industry type and sub-grouping (if sufficient data is available for review) by corporate bond rating or other means if bond ratings are not available.

(D) The current cost of equity shall be based on data from the capital markets of public utility industries. Equity rates shall reflect the representative cost of equity financing for a given industry and sub-grouping (if sufficient data is available for review) by corporate bond rating or other means if bond ratings are not available as of the lien date of appraisal. The current cost of equity will be developed by accepted models in the appraisal and financial communities. These models shall include, but are not limited to, equity risk premium (ERP), capital asset pricing model (CAPM), and the discounted cash flow model (DCF). The sources of required data shall be taken from published financial sources, i.e. (Value Line, Morningstar, Inc. Ibbotson-"Stocks, Bonds, Bills and Inflation", Wall Street Journal, regulatory filings, Federal Reserve Bulletin, Public Utility Financing Tracker and/or other recognized financial materials available to the Department).

(b) The Department shall conduct a public meeting for presentation of the capitalization rates to be used for the current Department assessed companies' property valuations no later than the 15th day of March each year. Notice of the date and time of the meeting shall be provided to all interested parties at least thirty days prior to the meeting. Upon written request submitted at least 5 days prior to the meeting interested parties may, at the meeting, present written or oral comments on the proposed capitalization rates. The Department will make available the final determination of the capitalization rates on the Department's web site. on or before March 31st or as soon thereafter as possible. This final determination of rates shall not affect the rights of a taxpayers to object in accordance with contested case procedures of the Administrative Procedure Act (W.S. 16-3-101 et seq.).

Section 8. Intangible Assets.

See Chapter 14, Section 11 - Intangible Assets

Section 9. Reconciliation.

The appraiser shall consider the relative significance, applicability and appropriateness of the indications of value derived from the approaches to value or methods outlined above, and will place the most consideration and reliance on the value indicator which, in his professional judgment, best approximates the value of the subject property. The appraiser shall evaluate all alternative conclusions and correlate the value indicators to arrive at a final estimate of fair market value.

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Section 10. Allocation.

This is the process of assigning a portion of the unitary value of a Department Assessed company to Wyoming. The goal of allocation is to reasonably reflect the property value contained in Wyoming. Standard allocation formulas aimed at equitable value allocations between states can be based on a combination of factors, i.e. property (asset costs), use or capacities, and/or revenue. The Department shall develop standard models by industry to meet the criteria as specified above.

Section 11. Apportionment or Distribution.

This is the process of assigning a portion of the Wyoming allocated value to county and tax districts as determined by the Department Rules Chapter 21, "Tax District Mapping". The process is completed in two steps:

(a) Identify all situs property, i.e. property which has a well defined legal location, site specific delineation, and specific investment accounting records; and

(b) Identify all non-situs property or property not defined by legal descriptions, such as property which is continuous in nature (i.e. miles of pipeline, wire miles, cable miles, transmission lines, and others), and specific investment accounting assets segregated by the above items.

Section 12. Department Assessed Company Inspections.

The Department shall physically inspect each Department assessed company (on-site review) once every six (6) years.

Section 13. Appraisal Basis Explanations to Taxpayer.

All Department assessed companies will be notified of a preliminary estimate of fair market value of the subject property. The taxpayer shall receive:

(a) A statement indicating those methods set forth in Section 6 of this Chapter which were used in arriving at the value; and, upon request,

(b) The identification and values of all elements and data used in each method, as well as any simplifying assumptions which have been made or deviations from the method as set forth in these Rules. This includes identification of any industry-wide or other data not specific to the company's property and the utilization of such data.

Section 14. Preliminary Notice-Informal Conference Procedure-Taxpayer.

(a) If there is an objection to the preliminary notice of value, the Department assessed company may request an informal conference to provide information as to any errors of fact or law or to explain or expand upon any of the information presented in the company's original filing. If an objection is based on a clerical error, the company shall immediately notify the Department, and a conference is not necessary.

(b) Requests for conferences shall be made in writing to the Appraisal Supervisor, Appraisal Services Group, Property Tax Division, Department of Revenue within ten (10) calendar

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days of the postmark date of the preliminary notice. Notification of the date and time for such conference may be made by phone or electronic confirmation. Conferences shall be brief and to the point.

Section 15. Annual Report Audit Rights and Responsibilities.

The Department reserves the right to engage the Department of Audit or a third party contractor to conduct ad valorem tax audits on Department assessed companies.

Section 16. Final Fair Market Value Determination.

The Department shall annually make a final determination of the fair market value and assessed value and provide the final determination to each Department assessed company as a final notice. Written objections to the values may be filed pursuant to W.S. 39-13-102(n).

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CHAPTER 7

~~PROPERTY TAX~~~~AD VALOREM~~ ^[c1] VALUATION METHODOLOGY AND
ASSESSMENT (DEPARTMENT ASSESSMENTS)

Section 1. Authority.

These Rules are promulgated under the authority of W.S. 39-11-102(b).

Section 2. Purpose of Rules.

These rules are intended to describe the valuation methodology to be used to determine the taxable value of Department assessed ~~companies' utility, railroad and telecommunication~~ properties for ad valorem tax purposes. The formulae, methods, systems, standards, and criteria to be used by the Department of Revenue, ~~Property Tax Division~~, to determine fair market value are set forth herein. ~~Unless otherwise provided by law, these rules also prescribe the level of assessment to be applied to all Department assessed property to determine assessed value.~~ ^[c2]

Section 3. Duties of the Department of Revenue, ~~Property Tax Division, with regard to Department Assessments.~~

(a) The Property Tax Division is hereby delegated the authority to appraise and value all property specified in W.S. 39-13-102(m)(ii-ix) ~~(Department assessed company or Department assessed companies)~~ ^[c3] ~~at its Fair Market Value in accordance with Generally Accepted Appraisal Standards and appraisal methods as prescribed by these rules.~~

~~(b) Any appraisal method used by the Department of Revenue, Property Tax Division, shall be in accordance with the rules adopted by the Wyoming Department of Revenue.~~

~~(c)~~ ^(b) All real and ~~tangible~~ ^{personal} ^[c4] property existing on January 1 of each year ~~is~~ ^{shall} be subject to assessment, except as otherwise specifically exempt by Wyoming Statutes.

Section 4. Definitions.

For the purpose of ad valorem taxation under these rules, the definitions set forth in Title 39, as amended, are incorporated herein by reference. In addition, the following definitions shall apply:

(a) "Best Information Appraisal" means the calculation of taxable value based upon the most ~~recently filed~~ ^{recently filed} annual report ~~filed with the Property Tax Division~~ adjusted by other best information available, including:

(i) The producer price index, if applicable;

(ii) Recognized financial measures of economic conditions; and

(iii) Comparison to the most comparable ~~Department state~~ ^{assessed companies} ~~properties currently being assessed by the Property Tax Division.~~

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~~(b) "Capitalization rate" means a ratio between anticipated future income, either accounting income or cash flow and present value. Capitalization ratios can be derived from any income level, but once they have been so derived they can only be applied to a comparable income level. Such rates may be developed by generally accepted appraisal methods, to include but not be limited to the following:~~

~~(i) For unitary property, by the band of investment method which develops a rate through a weighted average, the weights being the percent of debt and equity in the capital structure, which may include, but are not limited to, book, market and/or regulatory, as reflected in appropriate money markets. The respective weights are multiplied by the current cost of debt and equity as developed by accepted models in the appraisal and financial communities.~~

~~(e)(b)~~ "Department" means the Department of Revenue, the Property Tax Division, and/or its authorized agent.

~~(d)(c)~~ "Depreciation" means a loss of utility and hence value from any cause. Depreciation may take the form of physical depreciation, functional obsolescence, or external obsolescence.

(i) "Physical Depreciation" means the physical deterioration as evidenced by wear and tear, decay or depletion of the property.

(ii) "Functional Obsolescence" means the impairment of functional capacity or efficiency, which reflects a loss in value brought about by such factors as defects, deficiencies, or super adequacies, which affect the property item itself or its relation with other items comprising a larger property.

(iii) "External Obsolescence" means impairment of desirability or useful life arising from factors external to the property, such as economic forces or environmental changes which affect supply-demand relationships in the market. ~~M~~~~The~~ methods to measure economic obsolescence ~~may include, but are not limited to:~~

(A) Capitalization of the income or rent loss attributable to the negative influence;

(B) Comparison of sales of similar properties which are subject to the negative influence with others which are not.

(C) Identification of factors specifically analogous to the property, i.e. investments, capacities, and/or industry relationships.

(e) "Discount rate" means a firm's opportunity cost or weighted average cost of available capital. A discount rate is used to discount future cash flows back to their present value. A discount rate becomes a capitalization rate with the addition of a capital recapture rate.

(f) _____ "Appreciation" means an increase in value due to an increase in cost to reproduce, value over the cost, or value at some specified earlier point in time, brought about by greater demand, improved economic conditions, increasing price levels, reversal of depreciating environmental trends, or other factors as defined in the market.

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(g) "Fair market value" is defined as the amount in cash, or terms reasonably equivalent to cash, that a well informed buyer is justified in paying for a property and a well informed seller is justified in accepting, assuming that neither of the parties thereto are acting under undue compulsion and assuming further that the property has been offered in the market place for a reasonable ~~length of~~ time.

(h) "Non-operating Property" means all Department assessed companies' property, owned or leased, ~~by the utilities, railroads and telecommunications~~ not used in operations.

(i) "Operating Property" means all property which is owned, leased, or otherwise used exclusively in ~~the Department assessed companies' public utility or railroad~~ operations ~~as specified in W.S. 39-13-102(m)(ii)-(ix).~~

(j) "Department ~~Assessment~~ Appraiser^[c5]" means ~~Department those~~ personnel ~~employed by the Department of Revenue~~ with specific job responsibilities for appraisal of Department assessed companies' properties ~~specified in W.S. 39-13-102(m)(ii)-(ix).~~^[c6]

(k) "Unitary valuation" is the process of determining the value of a company as a whole without reference to individual parts. The unitary approach is used in the valuation of properties which derive their value from interdependent assets working together. The market value is not a summation of fractional appraisals, but the value of a company as an operating unit.

Section 5. Annual Reporting Requirements.

(a) Each Department assessed company ~~as specified in W.S. 39-13-102(m)(ii)-(ix)~~ shall submit an annual report to the Department ~~of Revenue, Property Tax Division,~~ on or before the mandatory dates specified by statute.

(b) Any request for extension of the filing deadline ~~with the Department~~ shall be submitted in writing prior to the statutory due date. Extensions shall not be granted for greater than ~~fifteen (15) thirty (30)~~ ^[c7] calendar days.

~~(a)-(c)~~ All ~~None of the~~ requested information and required supplemental documents ~~required~~ shall be included with ~~excluded from~~ the report filing. Failure to file a reporting form or an incomplete report ~~filing by a company~~ shall require the Department ~~Property Tax Division~~ to appraise the company by a best information appraisal ~~available method~~ as defined by this chapter and subject those companies to the penalties specified in W.S. 39-13-108.

~~(b)-(d)~~ (d) Leased Property. Each Department assessed company's ~~The~~ annual report ~~filed by each Department assessed company with the Property Tax Division, as required by W.S. 39-13-102(m)-(viii) and these Rules,~~ shall include schedules for reporting non-capitalized leased real property including improvements and equipment used exclusively in the company's utility, railroad and telecommunication operations. It shall be understood the leased property is used by the company in All non-capitalized leased property used in connection with a company's primary operating property functions shall be valued and assessed as if owned, comparable to owned property, but is leased from private parties. ~~It shall be understood the leased property is used by the company in All non-capitalized leased property used in connection with a company's primary operating property functions shall be valued and assessed as if owned, comparable to owned property, but is leased from private parties.~~ ^[c8] The leased property shall be subject to the same level of assessment ~~as provided by these rules for all owned property~~ ^[c9].

Section 6. Appraisal Methods.

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The appraisal techniques which ~~may be used by the Department~~ may use of Revenue, Property Tax Division include the approaches described in this section. Each approach used shall be an appropriate method for the type of property being valued; that is, the property shall fit the assumptions inherent in the appraisal method in order to calculate or estimate the fair market value of the property. Each approach used shall also consider the nature of the property or industry, and the regulatory and economic environment within which the property operates.

~~(a) All taxable property shall be annually valued at its fair market value, using generally accepted appraisal standards as prescribed in W.S. 39-13-103(b)(ii) and by this Chapter.~~

~~(b)-(a)~~ The Department ~~assessment~~ appraisers shall estimate fair market value utilizing specific appraisal standards which reflect three distinct methods of data analysis: i.e. sales comparison or market; cost; and income capitalization. One or more of these approaches shall be considered used in all determinations of value, except when utilizing at the "best information appraisal available method".

~~(c) All Department appraised and assessed properties as specified in W.S. 39-13-102 (m)(ii-ix) shall be annually reported by the taxpayer, valued and assessed as required by subsection (a) of this section or as specifically prescribed in these rules~~

(i-) Market Approaches to Value

(A) The Sales Comparison. The comparable sales approach is an appropriate method of valuation where there is an adequate number of reliable arms-length sales and the properties subject to such sales are similar to the property being valued. Comparable sales shall be adjusted to reflect differences in time, location, size, physical attributes, financing terms or other differences which affect value. The use of this approach to value depends upon:

(I) The availability of comparable sales data;

(II) The verification of the sales data;

(III) The degree of comparability or extent of adjustment necessary for time differences; and

(IV) The absence of non-typical conditions affecting the sales price.

(B) The Stock and Debt. The stock and debt approach is a method of estimating the value of property based on the premise that the total assets (property) are equal to the total liabilities plus owner's equity. This approach substitutes for the conventional market data approach by equating market prices at which fractional interests in the property, or similar properties, have recently sold recognizing other existing claims on assets and premiums paid to acquire entire interests. The approach is normally used when there are not sales of whole properties comparable to the subject property.

(ii) Cost Approaches to Value

(A) Replacement Cost. The replacement cost approach is a method of estimating the value of property based upon the cost of construction at current prices of a substitute property which provides utility or usefulness equivalent to the property being appraised,

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constructed with modern materials and according to current standards, design, and layout. The replacement cost shall consider all forms of depreciation and appreciation. The appraised value of associated land shall be added to the depreciated replacement cost.

(B) **Reproduction Cost.** The reproduction cost approach is a method of estimating the value of property based upon the cost of construction at current prices of an exact duplicate or replica using the same materials, construction standards, design, layout, and quality of workmanship, embodying all the deficiencies, super adequacies and obsolescence of the subject building. The reproduction cost shall consider all forms of depreciation and appreciation. The appraised value of associated land shall be added to the depreciated reproduction cost.

(C) **Historical Cost.** The historical cost approach is a method of estimating the value of property based upon the actual or first cost of property at the time it was originally constructed and placed in service. In an assembled property, the historical cost as of any date means, the first cost as defined, plus all subsequent additions and replacements less deduction or removals. The historical cost shall consider all forms of depreciation and appreciation. Items such as construction work in progress, plant held for future use, acquisition adjustments, non-capitalized leased property, materials, supplies and other items shall also be included to the extent they are taxable and not otherwise valued.

(iii) Income Capitalization to Value

~~(A) — The Ellwood or Mortgage Equity Method. This method is an extension of basic mortgage equity analysis involving certain assumptions concerning income flows and the nature of the claims against those income flows. The calculation includes the estimated future income stream from depreciable assets and land over the typical or optimum term of ownership and including the proceeds from the estimated resale of the property in the last year.~~

~~(A) [The Income or Capitalized Earnings Approach] [c10]. In tThe income or capitalizationed earnings approach, an appraiser analyzes a -is a method of estimating the value of property's capacity to generate future by converting anticipated benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to the approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence or enhancement in the cost approach. -to be derived from the ownership of property into a value estimate as is reflected or accomplished by yield capitalization. These benefits can be reflected through the net operating income or cash flow of a company. The anticipated future income and/or reversions are discounted to a present worth. Direct capitalization may also be used to convert a single year's income expectancy into an indication of value. This conversion is accomplished by either dividing the income estimate by an appropriate income rate or by multiplying the income estimate by an appropriate factor in accordance with generally accepted appraisal techniques. Both direct and yield capitalization methodologies are considered to be the income or capitalized earnings approach as discussed in this subsection.~~

(I) Yield Capitalization is used to convert future benefits, typically a periodic income stream and reversion, into present value by discounting each future benefit at an appropriate yield rate or by applying an overall rate that explicitly reflects the investment's income pattern, change in value and yield rate.

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(1.) Net operating income or cash flow is discounted to fair market value using a capitalization rate developed by the methods described in Section 7 of this Chapter.^[c11]

(2.) For the purposes of this subsection, cash flow is the difference between dollars paid and dollars received. Dollars received include all revenues generated from operating assets. Dollars paid include all current expenses and capital expenditures, or annual allowances therefore, required to develop and maintain the income stream. Cash flow must also take into account all legally enforceable restrictions on the property.

(II) Direct Capitalization is a comparable sales technique that utilizes units of comparison. Each unit is divided by a sales price^[c12]....There are three levels of comparison: equity, preferred, and long-term interest paid.

(1.) For the equity comparison, the market value is obtained using six (6) units of comparison utilized in development of capitalization ratios:^[c13] Revenue, Cash Flow, Earnings, Dividends, Capital Spending and Book Value. The price per share is used to develop the average unit ratio^[c14] comparisons.

(2.) For the preferred comparison, the market value is obtained by dividing the preferred dividends paid by the company by the market preferred yield of that rated stock.

(3.) For the long term debt comparison, the market value is obtained by dividing the company's long term interest expense by the appropriate debt yield for the appropriate debt rating.

(4.) The values achieved through the three comparisons are totaled together to develop an estimate of total value for the company.

(5.) All non-operating and/or other exempt property included in the total value shall be removed to arrive at a fair market value for the subject company using the Direct Capitalization method.

~~(I) Net operating income or cash flow is discounted to fair market value using a capitalization rate developed by the methods described in Section 7 of this Chapter.~~

~~(III) The Section may utilize a direct capitalization model for the purposes of valuing the property of public utilities such as private electric/gas distribution companies, rural electric cooperatives, municipalities, pipelines (liquid and natural gas), telecommunication (cellular, rural cooperatives, re-sellers, long distance, local exchange and cable or satellite television), airlines and railroad companies.~~

Section 7. Capitalization Rate Development

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(a) The capitalization rate is any rate used to convert an income stream into a present worth of future benefits. The rate reflects the relationship between one year's income or an annual average of several years' income and the corresponding value. The Department ~~of Revenue, Property Tax Division,~~ shall annually calculate capitalization rates based upon the band of investment method as defined by these rules for all Department assessed industries. The primary components of the rate shall include capital structure (book, market and/or regulatory) as determined for the industry and/or company being appraised (if industry data is not available or applicable) and cost of capital (debt, preferred, and equity) as developed in appropriate money markets.

(i) Band-of-investment shall mean the method based on the concept that the capitalization rate is equal to the weighted average cost of the debt and equity portions of the capital investment. Proper development and application of the band-of-investment requires obtaining and analyzing data by industry type for:

(A) The percent of debt and equity which makes up the capital structure as determined from published financial sources (Mergents ~~Bond Record, Mergents Bond Survey, Value Line, Mergents public utility and/or transportation manuals,~~ regulatory reports or other recognized financial materials available to the Department^(c15)). The determination shall be done by industry type and subgrouping (if sufficient data is available for review) by corporate bond rating or other means if bond ratings are not available.

(B) Debt rate estimates used in the band-of-investment method shall reflect the average current cost of yield to maturity of outstanding issues of debt financing for the year ending closest to the lien date of appraisal. The rates shall be taken from published financial sources (Mergents ~~Bond Record~~Public Utility News Reports, Standard and Poor's ~~Record~~"Credit Week", Public Utility Financing Tracker ~~(Flotation Costs)~~ and/or other recognized financial materials available to the Department). The determination shall be done by industry type and sub-grouping (if sufficient data is available for review) by corporate bond rating or other means if bond ratings are not available.

(C) Preferred rate estimates used in the band-of-investment method shall reflect the average current cost of market yield of outstanding issues of preferred stock financing for the year ending closest to the lien date of appraisal. The rates shall be taken from published financial sources (Mergents ~~Bond Record~~Public Utility News Reports, Standard and Poor's ~~Record~~"Credit Week", Public Utility Financing Tracker ~~(Flotation Costs)~~ and/or other recognized financial materials available to the Department). The determination shall be done by industry type and sub-grouping (if sufficient data is available for review) by corporate bond rating or other means if bond ratings are not available.

(D) The current cost of equity shall be based on data from the capital markets of public utility industries. Equity rates shall reflect the representative cost of equity financing for a given industry and sub-grouping (if sufficient data is available for review) by corporate bond rating or other means if bond ratings are not available as of the lien date of appraisal. The current cost of equity will be developed by accepted models in the appraisal and financial communities. These models shall include, but are not limited to, equity risk premium (ERP), capital asset pricing model (CAPM), and the discounted cash flow model (DCF). The sources of required data shall be taken from published financial sources, i.e. (Value Line, Morningstar, Inc. Ibbotson—"Stocks, Bonds, Bills and Inflation"—~~Annual Yearbook Classic Edition~~, Wall Street Journal, regulatory filings,

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Federal Reserve Bulletin ~~20-Year Treasury Bond Yield~~, Public Utility Financing Tracker (~~Flotation Costs~~) and/or other recognized financial materials available to the Department).

(b) ~~Not later than the 15th day of March each year~~ The Department of Revenue, Property Tax Division, shall conduct a public meeting for presentation of the capitalization rates to be used for the current ~~year in the valuation of~~ Department assessed companies' property valuations no later than the 15th day of March each year. Notice of the date and time of the meeting shall be provided to all interested parties at least thirty ~~days~~ prior to the meeting. Upon written request submitted at least 5 days prior to the meeting, ~~industry representatives, County Assessors, and other~~ interested parties may, at the meeting, present written or oral comments on the proposed capitalization rates. The Department will make available the final determination of the capitalization rates on the Department's web site. ~~shall be made available to industry representatives, County Assessors, and other interested parties annually by the Property Tax Division~~ on or before March 31st or as soon thereafter as possible. This final determination of rates shall not affect the rights of a taxpayer to object in accordance with contested case procedures of the Administrative Procedure Act (W.S. 16-3-101 et seq.) ~~and the Rules of Practice and Procedure for Appeals Before the Wyoming State Board of Equalization Involving Taxation Matters.~~

Section 8. Intangible Assets.

See Chapter 14, Section 11 - Intangible Assets ~~Intangible assets as specified in W. S. 39-11-105 (b) (i-vi) shall be removed from the Fair Market Value, to the extent that the taxpayer can establish and document, to the satisfaction of the Department, the contributory value to the unit, using generally accepted appraisal standards or generally accepted accounting principles, as appropriate. Chapter 14, Section 10 "Ad Valorem Tax Exemption Standards" of these rules identifies the criteria requirements for exemption of intangibles, statutory conditions and the types of exemptions for consideration.~~

Section 9. Reconciliation.

The appraiser shall consider the relative significance, applicability and appropriateness of the indications of value derived from the approaches to value or methods outlined above, and will place the most consideration and reliance on the value indicator which, in his professional judgment, best approximates the value of the subject property. The appraiser shall evaluate all alternative conclusions and correlate the value indicators to arrive at a final estimate of fair market value.

Section 10. Allocation.

This is the process of assigning a portion of the unitary value of a Department Assessed company ~~interstate utilities, railroads and telecommunications~~ to Wyoming. The goal of allocation is to reasonably reflect the property value contained in Wyoming. Standard allocation formulas aimed at equitable value allocations between states can be based on a combination of factors, i.e. property (asset costs), use or capacities, and/or revenue. The Department shall develop standard models by industry to meet the criteria as specified above.

Section 11. Apportionment or Distribution.

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This is the process of assigning a portion of the Wyoming allocated value to ~~geographical areas~~ ~~(county and tax districts)~~ as determined by the Department Rules Chapter 21, "Tax District Mapping". The process is completed in two steps:

- (a) Identify a~~All~~ situs property, i.e. property which has a well defined legal location, site specific delineation, and specific investment accounting records; and
- (b) Identify A~~all~~ non-situs property or property not defined by legal descriptions, such as property which is continuous in nature (i.e. miles of pipeline, wire miles, cable miles, transmission lines, and others), and specific investment accounting assets segregated by the above items.

Section 12. Department Assessed ~~Company~~Property Inspections.

~~The Department shall physically inspect each~~ Department assessed ~~company~~properties ~~shall be physically inspected~~ (on-site review) ~~by the Department of Revenue, Property Tax Division,~~ once every six (6) ~~four~~ years.

~~Section 13. — Assessed or Taxable Value.~~

~~The taxable value for all Department assessed property in Wyoming as specified in W.S. 39-13-102(m)(ii), (iii), (iv), (v), (vii) and (viii) shall mean eleven and one half percent (11.5%) of fair market value. The taxable value for all Department assessed property in Wyoming as specified in W. S. 39-13-102(m)(vi) and (ix) shall mean nine and one half percent (9.50% for fair market value.~~

~~Section 14.~~Section 13. Appraisal Basis Explanations to Taxpayer.

~~All Department assessed companies~~ ~~Any taxpayer whose property is appraised pursuant to W.S. 39-13-102(m)(ii) (ix)~~ will be notified of a preliminary estimate of fair market value of the subject property. The taxpayer shall receive:

- (a) A statement indicating those methods set forth in Section 6 of this Chapter which were used in arriving at the value; and, upon request,
- (b) The identification and values of all elements and data used in each method, as well as any simplifying assumptions which have been made or deviations from the method as set forth in these Rules. This includes identification of any industry-wide or other data not specific to the ~~company~~taxpayer's property and the utilization of such data.

~~Section 15.~~Section 14. Preliminary Notice-Informal Conference Procedure-Taxpayer.

(a) If there is an objection to the ~~stated valuation on the~~ preliminary notice of value, the Department assessed company~~taxpayer~~ may request an informal conference to provide information as to any errors of fact or law or to explain or expand upon any of the information presented in the company~~taxpayer~~'s original filing ~~for the company~~. If an~~the~~ objection is based on a clerical error, the company~~taxpayer~~ shall immediately notify the Department~~Property Tax Division~~, and a conference is not necessary.

(b) Requests for conferences shall~~must~~ be made in writing to the Appraisal Supervisor, Appraisal Services Group, Property Tax Division, Department of Revenue within ten (10) calendar days of the postmark date of the preliminary notice. Notification of the date and time for such

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conference may be made by phone ~~or electronic~~~~followed by written~~ confirmation. Conferences shall be brief and to the point.

~~Section 16.~~Section 15. Annual Report Audit Rights and Responsibilities.

The Department ~~of Revenue, Property Tax Division,~~ reserves the right to engage the Department of Audit or a third party contractor to conduct ad valorem tax audits on Department ~~state~~-assessed companies.

~~Section 17.~~Section 16. Final Fair Market Value Determination.

~~Annually~~ ~~The~~ ~~D~~epartment shall annually make a final determination of the fair market value and assessed value ~~and that will be~~ provided the final determination to each Department assessed company~~taxpayer~~ as a final notice. Written objections to the values may be filed pursuant to W.S. 39-13-102(n).

CHAPTER 8

PROPERTY VALUATION METHODOLOGY AND ASSESSMENT (CAR COMPANIES)

Section 1. Authority. These Rules are promulgated under the authority of W.S. 39-11-102(b).

Section 2. Purpose of Rules. These rules are intended to describe the valuation methodology to be used to determine the taxable value of Car Companies for property tax purposes. The manuals, formulae, methods, systems, computations, standards, and criteria to be used by the Department to determine fair value are set forth herein.

(a) ue.

Section 3. Definitions. For the purpose of ad valorem taxation under these Rules, the definitions set forth in Title 39, as amended, are incorporated herein by reference. In addition, the following definitions shall apply:

(a) "Best Information Appraisal" means the calculation of value based upon:

- (i) Total Wyoming mileage, loaded and empty;
- (ii) Class of car and;
- (iii) Information provided by the railroad companies report; and
- (iv) Information provided by the car company.

(b) "Calendar Year" means the year from January 1st through December 31st.

(c) "Car Company" means all owners of railroad rolling stock (owned and leased) operating or present in the State during the preceding calendar year. This does not include those companies reporting as Wyoming railroad companies as defined by W.S. 39-13-102(m)(iv).

(d) "Class of cars" means class f - flat, class g - gondola, class h - hopper, class l - special, class mw - maintenance of way, class n - caboose, class p - passenger, class r - refrigerators, class s - stock, class t - tank, class x - box, as used by the Association of American Railroads, Operations and Maintenance Department, Mechanical Division in the classification of freight equipment cars.

(e) "Department" means the Department of Revenue, Property Tax Division.

(f) "Railway Company" means the railroad companies operating within the State of Wyoming.

(g) "State Appraiser" means those personnel employed by the Department with specific job responsibilities for appraisal of properties specified in W.S. 39-13-102(m)(ii)-(xi).

(h) "Mileage" means both loaded and empty car miles.

(i) "Cars idle" mean cars stored, shipped, bad ordered and cars in queue time mode for loading and unloading.

(j) "Time/speed study" means a detailed narrative and statistically significant sample of a company's Wyoming car movements, including cars idle, within a calendar month.

Section 4. Annual Reporting Requirements.

(a) Each Department assessed car company shall submit an annual report to the Department on or before May 1 each year. The requested information shall include: complete ownership delineation; reporting marks; class of cars; the number of units per class of cars; the total Wyoming mileage and system mileage for the preceding calendar year as defined by this chapter; route information and travel times necessary to determine average daily mileage; year(s) built or year(s) of acquisition; historical or original cost and additions and betterment made to cars; amount included in original cost associated with items included in the additions and betterment; daily average number of cars idle; and supplemental documents as the Department requires.

(b) Any request for extension of the filing deadline with the department shall be submitted in writing prior to the statutory due date. Extensions shall not be granted for greater than fifteen (15) calendar days.

(c) Failure to file a reporting form, or an incomplete filing by a company shall require the Department to value the company using the Best Information Available requirements of W.S. 39-13-107(a)(iii), W.S. 39-13-103(b)(xvi)(C), and by the methods set forth in this chapter. The failure to report shall subject the company to the penalty provisions of W.S. 39-13-108(c)(ii)(B).

(d) The Department shall notify each car company by October 15th of each year, the month to be used for the following year's time/speed study. If the company fails to provide the study, the Department shall use the best information available to determine the number of cars. The company shall be required to file the time/speed study every three years or upon Department request.

Section 5. Valuation.

(a) The Department shall annually determine the value of car companies based upon the use of market information available to the Department for each particular class of car using class specific cost, sales and income information submitted by the taxpayer, data from operating railroads within Wyoming and generally recognized value publications in the market and/or other recognized financial materials available to the Department; and

(b) The number of Wyoming cars multiplied by the fair market value of the car.

(c) The Wyoming fair market value multiplied by the level of assessment shall determine the Wyoming assessed value;

(d) The Wyoming tax due shall be the total Wyoming assessed value multiplied by the statewide average mill levy.

Section 6. Valuation Basis Explanation to Taxpayer.

(a) The Department will compare the car company's mileage reports to the railroad company's mileage information. If there is a discrepancy, the Department will advise the car company of the discrepancy, and the company will have fourteen (14) calendar days to correct the report and/or explain the discrepancy. If the company does not adequately respond within fourteen (14) days, the Department will issue a valuation using the mileage that results in a higher tax amount.

(b) The Department will provide each assessed car company a preliminary notice of taxable value setting forth the methods used to arrive at value.

(i) The company may request an informal conference to object to the preliminary notice of value and to provide information as to any errors of fact or law or present additional information. If the objection is a clerical error, the company shall immediately notify the Department, and a conference may not be necessary.

(ii) The request for conference must be made in writing and filed with the Department within ten (10) calendar days of the postmark of the preliminary notice. The Department will notify the company of the date of the conference by phone or electronic mail.

Section 7. Notification of Billing.

(a) Annually, on or before September 15th or as soon thereafter as possible, the Department shall calculate and mail to each car company a statement of final value and the tax due. The taxes must be paid to the Department on or before December 31 of each year. Delinquent taxes shall bear an interest rate of eleven (11%) per annum.

Section 8. Annual Report Audit Rights and Responsibilities. The Department reserves the right to engage the Department of Audit to conduct property tax audits on Department assessed car companies.

CHAPTER 8

~~PROPERTY AD VALOREM~~ VALUATION METHODOLOGY AND ASSESSMENT (CAR COMPANIES)

Section 1. Authority. These Rules are promulgated under the authority of W.S. 39-11-102(b).

Section 2. Purpose of Rules. These rules are intended to describe the valuation methodology to be used to determine the taxable value of Car Companies for ~~property ad valorem~~ tax purposes. The manuals, formulae, methods, systems, computations, standards, and criteria to be used by the Department ~~of Revenue, (State Assessment Section)~~ to determine fair value are set forth herein. ~~Unless otherwise provided by law, these rules also prescribe the level of assessment to be applied to all property to determine Assessed value.~~

~~Section 3. — Duties of the Department of Revenue (State Assessment Section).~~

~~(a) — The State Assessment Section is an operating section of the Ad Valorem Tax Division of the Department of Revenue. The Section is hereby delegated the authority to appraise and value all property specified in W.S. 39-13-102(m)(ii) (viii) in accordance with the standards and methods established by these rules.~~

~~(b)(a) Any valuation method used by the Department of Revenue, Ad Valorem Tax Division, State Assessment Section shall be in accordance with the rules adopted by the Wyoming Department of Revenue.~~

~~Section 4.~~ Section 3. Definitions. For the purpose of ad valorem taxation under these Rules, the definitions set forth in Title 39, as amended, are incorporated herein by reference. In addition, the following definitions shall apply:

- (a) "Best Information Appraisal" means the calculation of value based upon:
 - (i) Total Wyoming mileage, loaded and empty;
 - (ii) Class of car and;
 - (iii) Information provided by the railroad companies ^[c1] report ~~required by W.S. 39-13-103(b)(xvi)(A); and~~
 - (iv) Information provided by the car company.
- (b) "Calendar Year" means the year from January 1st through December 31st.
- (c) "Car Company" means all owners of railroad rolling stock (owned and leased) operating or present in the State during the preceding calendar year. This does not include those companies reporting as Wyoming railroad companies as defined by W.S. 39-13-102(m)(iv).
- (d) "Class of cars" means class f - flat, class g - gondola, class h - hopper, class l - special, class mw - maintenance of way, class n - caboose, class p - passenger, class r - refrigerators, class s - stock, class t - tank, ~~and~~ class x - box, as used by the Association of American Railroads,

Operations and Maintenance Department, Mechanical Division in the classification of freight equipment cars.

(e) "Department" means the Department of Revenue, Property Tax Division ~~or its authorized agent.~~

(f) "Railway Company" means the railroad companies operating within the State of Wyoming ~~as specified in W.S. 39-13-103(b)(xvi)(A) and W.S. 39-13-102(m)(iv).~~

(g) "State ~~Assessments~~ Appraiser" means those personnel employed by the Department ~~of Revenue~~ with specific job responsibilities for appraisal of properties specified in W.S. 39-13-102(m)(ii)-(xviii).

(h) "Mileage" means both loaded and empty car miles.

(i) "Cars idle" mean cars stored, shipped, bad ordered and cars in queue time mode for loading and unloading.

(j) "Time/speed study" means a detailed narrative and statistically significant sample of a company's Wyoming car movements, including cars idle, within a calendar month.

~~Section 5.~~ Section 4. Annual Reporting Requirements.

(a) Each ~~Department~~state assessed car company ~~as specified in W.S. 39-13-107(a)(ii)(A)~~ shall submit an annual report to the Department ~~of Revenue, State Assessment Section,~~ on or before May 1 each year. The requested information shall include; ~~but not be limited to~~ complete ownership delineation; reporting marks; class of cars; the number of units per class of cars; the total Wyoming mileage and system mileage for the preceding calendar year as defined by this chapter; route information and travel times necessary to determine average daily mileage; year(s) built or year(s) of acquisition; historical or original cost and additions and betterment made to cars; amount included in original cost associated with items included in the additions and betterment; daily average number of cars idle; and supplemental documents as the Department ~~required by the State Assessment Section.~~

~~(b) ——— Each railway company as specified in W.S. 39-13-103(b)(xvi)(A) shall submit an annual report to the Department of Revenue, State Assessment Section, on or before May 1 each year. The requested information shall include, but not be limited to ownership/reporting marks; class of cars; the total Wyoming mileage and system mileage for the preceding calendar year as defined by this chapter; and information concerning routes and travel times which may be necessary to determine average daily mileage for the different classes of cars to complete the valuation process.~~

~~(c)~~ (b) Any request for extension of the filing deadline with the department shall be submitted in writing prior to the statutory due date. Extensions shall not be granted for greater than fifteen (15) ~~thirty (30)~~ calendar days.

(c) Failure to file a reporting form, or an incomplete filing by a company shall require the ~~Department~~state ~~assessment section~~ to value the company using ~~by~~ the Best ~~in~~ information available requirements of W.S. 39-13-107(a)(iii), W.S. 39-13-103(b)(xvi)(C), and by the methods set forth in this chapter. The failure to report shall subject the company to the penalty provisions of W.S. 39-13-108(c)(ii)(B).

(d) The Department shall notify each car company by October 15th of each year, the month to be used for the following year's time/speed study. If the company fails to provide the study, the Department shall used the best information available to determine the number of cars. The company shall be required to file the time/speed study every three years or upon Department request.

~~Section 6.~~Section 5. Valuation.

~~(a) — The Department of Revenue, State Assessments Section shall annually determine the value of car companies based upon, but not be limited to:~~

~~(i) Setting a value upon each particular class of cars as defined by this chapter;~~

~~(ii)(a) The value as determined by the Department of Revenue, State Assessment Section, shall be calculated by the use of market information available to the Department for each particular class of car using, class specific cost, sales and income information submitted by the taxpayer, data from operating railroads within Wyoming surrounding state governments, and generally recognized value publications in the market and/or other recognizes financial materials which are generally available to the Department public; and~~

~~(b) The numbers of Wyoming cars multiplied by the fair market value of the car upon which each company shall be valued shall be determined by the average number of cars necessary to make the Wyoming miles. The average number of cars necessary to make the Wyoming miles shall be determined by the company's annual Wyoming mileage divided by the product of the miles per day multiplied by the number of days in the year. The miles per day shall be determined by the company's Wyoming time/speed study. The time/speed study criteria shall be as developed by the department of revenue, state assessment section, to meet the requirements of W.S. 39-13-103(b)(xvi)(A). The state assessment section shall notify each company by October 15 of the year prior to the year the study is due on the month to be used for the time/speed study. Should the company not supply a time/speed study, the Department shall determine the number of cars by the best information available. The companies shall be required to file time/speed studies every three years, or as requested based upon system changes or other factors which may affect the reliability of the study.~~

~~(c) The Wyoming fair market value multiplied by the level of assessment shall determine the Wyoming assessed value;~~

~~(iii)(d) The Wyoming tax due shall be the total Wyoming assessed value multiplied by the statewide average mill levy.~~

~~(A) — The number of total Wyoming cars multiplied by the full fair market value of the car shall determine the Wyoming fair market value;~~

~~(B) — The Wyoming fair market value multiplied by the level of assessment as specified in W.S. 39-11-101(a)(xvii) shall determine the Wyoming assessed value;~~

~~(C) — The Wyoming tax due shall be the total Wyoming assessed value multiplied by the statewide average mill levy as specified in W.S. 39-13-104(g).~~

~~(D) — Wyoming fair market value multiplied by the level of assessment as specified in W.S. 39-11-101(a)(xvii) to determine the Wyoming assessed value;~~

~~(E) — The Wyoming tax due shall be the total Wyoming assessed value multiplied by the statewide average mill levy as specified in W.S. 39-13-104(g).~~

~~Section 7. Section 6. Valuation Basis Explanation to Taxpayer Notification of billing. Annually, on or before September 15th of each year, or as soon thereafter as possible, the Department of Revenue, State Assessment Section, shall calculate and mail to each taxpayer of record a statement of the final value and tax due to the State of Wyoming. Written objections to the value or calculations may be filed pursuant to W.S. 39-13-102(n).~~

(a) The Department will compare the car company's mileage reports to the railroad company's mileage information. If there is a discrepancy, the Department will advise the car company of the discrepancy, and the company will have fourteen (14) calendar days to correct the report and/or explain the discrepancy. If the company does not adequately respond within fourteen (14) days, the Department will issue a valuation using the mileage that results in a higher tax amount.

(b) The Department will provide each assessed car company a preliminary notice of taxable value setting forth the methods used to arrive at value.

(i) The company may request an informal conference to object to the preliminary notice of value and to provide information as to any errors of fact or law or present additional information. If the objection is a clerical error, the company shall immediately notify the Department, and a conference may not be necessary.

(ii) The request for conference must be made in writing and filed with the Department within ten (10) calendar days of the postmark of the preliminary notice. The Department will notify the company of the date of the conference by phone or electronic mail.

~~Section 7. Notification of Billing. Remittance of Taxes. All tax due shall be paid to the State of Wyoming, Department of Revenue, c/o Administrator Ad Valorem Tax Division, pursuant to W.S. 39-13-104(g).~~

Section 8.(a) Annually, on or before September 15th or as soon thereafter as possible, the Department shall calculate and mail to each car company a statement of final value and the tax due. The taxes must be paid to the Department on or before December 31 of each year. Delinquent taxes shall bear an interest rate of eleven (11%) per annum.

~~Section 9. Assessed or Taxable Value. The taxable value for all state assessed property in the State of Wyoming as specified in W.S. 39-13-102(m)(ii)-(viii) shall mean eleven and one half percent (11.5%) of fair market value.~~

~~Section 10. Valuation Basis Explanations to Taxpayer.~~

~~(a) Any taxpayer whose property is valued pursuant to W.S. 39-13-102(m)(v), W.S. 39-13-103(b)(xvi), and this Chapter will receive a preliminary notice of the taxable value of the subject property. The taxpayer, with the final assessment and tax bill, shall receive:~~

~~(i) A statement indicating the methods set forth in Section 6 of this Chapter used in arriving at the value; and, upon request,~~

~~(ii) The identification and values of all elements and data that were used, as well as any simplifying assumptions made or deviations from the method as set forth in these Rules. The~~

~~information shall include identification of any industry wide or other data not specific to the taxpayer's property and the utilization of such data.~~

~~(b) ——— A preliminary notice will be issued and if there is an objection to the valuation, the taxpayer may request an informal conference to provide information as to any errors of fact or law or to explain or expand upon any of the information presented in the taxpayer's original filing for the company. If the objection is based on a clerical error, the taxpayer shall immediately notify the State Assessment Section, and a conference is not necessary.~~

~~(c) ——— Requests for conferences must be made to the Administrator, Ad Valorem Tax Division, Department of Revenue within ten (10) calendar days of the postmark date of the preliminary notice. Notification of the date and time for such conference may be made by phone followed by written confirmation. Conferences shall be brief and to the point. All conferences shall be public meetings, except for discussion of items which may be proprietary or confidential.~~

~~Section 11.~~Section 8. Annual Report Audit Rights and Responsibilities. The Department ~~of Revenue, State Assessments Section,~~ reserves the right to engage the Department of Audit to conduct property~~ad valorem~~ tax audits on Department~~state~~ assessed car companies.

CHAPTER 10

DESIGNATION, CLASSIFICATION AND VALUATION OF AGRICULTURAL LANDS FOR PROPERTY TAXATION

Section 1. Authority. These rules are promulgated under authority of W.S. 39-11-102(b), W.S. 39-13-101, W.S. 39-13-103(b)(x).

Section 2. Purpose. These rules are intended to describe the methods and procedures to be used for designating land as either agricultural or non-agricultural and to describe the methods and procedures for classifying agricultural land as to type, whether irrigated, dry cropland, rangeland, timberland or other; and to describe the valuation methodology to be used to determine the taxable value of agricultural land for property tax purposes. The manuals, formulae, methods, systems, computations, standards, guidelines and criteria to be used by County Assessors and the Department to determine taxable value are set forth herein.

Section 3. Definitions. For the purposes of these rules, the definitions set forth in Wyoming Statutes Title 39, as amended, are incorporated by reference. In addition, the following definitions shall apply:

- (a) "Agricultural" means the primary use of the land is to produce crops, harvest timber or graze livestock for commercial purposes consistent with the land's capability to produce.
- (b) "Platted Subdivision" means for the purpose of Chapter 13 of Title 39, the creation of a lot, parcel, or other unit of land; or division of a lot, parcel, or other unit of land into one or more parts that has received approval from the governing body in whose jurisdiction the property resides at the time of creation and is recorded in the records of the county clerk.
- (c) "Non-agricultural lands" shall include but not be limited to lands as described in the State of Wyoming Market Valuation of Residential, Commercial and Industrial Lands as published by the Department:
 - (i) Lands in active transition from agricultural use to residential, commercial or industrial use, which includes creation or division of a tract, parcel or other unit of land for the purpose of sale or development for such use;
 - (ii) Farmsteads with lands occupied by buildings which constitute the home site including one or more acres (as determined by the County Assessor) of land used in direct connection with the home site;
 - (iii) Commercial land used for commercial feed lots, dude ranch facilities, and other commercial or income purposes;
 - (iv) Land where Topsoil is removed or topography is disturbed to the extent that the property cannot be used to raise crops, timber or to graze livestock;
 - (v) Resort or recreational lands, summer homes or mountain cabins;
 - (vi) Land zoned for purposes, which exclude agricultural uses;

(vii) Activities on land which occur after the crop is harvested or animal has been raised do not qualify land for agricultural assessment. A storage activity by a non-producer does not qualify property for agricultural assessment. Processing activities, whether or not by a producer, such as pasteurizing and bottling milk, cheese making, honey candy manufacturing or slaughtering, dressing and packing meat do not qualify land for agricultural assessment;

(A) In general, processing begins with those activities typically carried out at the first level of trade beyond production, which activities enhance the value of primary agricultural products. Milling grain, pasteurizing milk, packaging vegetables and milling timber constitute processing. Packaging products for transport to either the wholesale or retail markets does not constitute processing, but packaging them for sale does. The test is whether the packaging used for transport is suitable packaging for retail sale. Storage within the wholesale trade constitutes processing, as would slaughter of livestock. The producer's interim storage or slaughter prior to sale to a wholesaler or other middleman is not processing.

(B) For silage, while the final product is different from the product as initially stored, the process shall still be considered a primary production activity.

(viii) Land grazed by any animal kept as a hobby;

(ix) Land used to harvest firewood, shrubs or seeds that grow wild on the land;

(x) Land used for the activity of hunting or harvesting game animals or birds.

(d) "Primarily" means chiefly or the first importance.

(e) "FSA" is an acronym for the U.S. Department of Agriculture, Farm Service Agency.

(f) "AUM" is an acronym for animal unit month, the amount of forage required to maintain a 1,000 lb cow, with or without a calf, for one month.

(g) "CAB" is an acronym for crop acreage base. CAB is applicable to any crop eligible to be enrolled in a FSA government support program.

(h) "Capitalization rate" is a ratio between anticipated future income, either accounting income or cash flow, and present value. For property tax purposes the Department will use the following:

(i) The capitalization rate used in valuation of the agricultural lands is the 5 year weighted average of the annual Farm Credit Bank's average long term loan portfolio rates (obtained from Farm Credit). The average interest rates for the past 5 years are converted to a weighted average to establish the capitalization rate. This is calculated by multiplying the current year's interest rate by a factor of 5. The previous years' rates are multiplied by factors of 4, 3, 2 and 1 respectively. This total is divided by 15 to achieve the 5 year weighted average. This capitalization rate is used in the income approach for the valuation of all agricultural lands (irrigated crop land, dry crop land, rangeland, timberland or other).

(i) "CRP" is an acronym for Conservation Reserve Program. CRP is a federal program which pays a yearly rental payment in exchange for farmers removing environmentally sensitive land from agricultural production and planting species that will improve environmental quality.

(j) "Dry Crop Land" means any land which is cultivated and harvested by mechanical means, and is used in the production of cereal grains and row crops, alfalfa, legumes or grass hay, including sub-irrigated hay meadows, or Christmas, ornamental and nursery trees without the artificial application of water.

(k) "Irrigated Crop Land" means any land, which has water applied to it by artificial means for the purpose of producing food or fiber, or Christmas, ornamental and nursery trees. The value of irrigation and sprinkler systems, used in applying water to agricultural lands, is included in the productivity formula and should not be valued separately.

(l) "Land Capability Classification System" for taxation purposes, applies to the productivity valuation of cropland. Soils placed in the Land Capability Classification System are governed by a series of limitations. Major limitations include, but are not limited to, length of growing season (frost-free growing period), precipitation, texture, salinity, alkalinity, stoniness, drainage, permeability, and slope of the soil.

(m) "Rangeland" means any land, which is used for livestock production, and cannot or has not been cultivated, by mechanical means. Wasteland and inaccessible land shall also be included in this category. The presence of trees is not considered a detriment to production and the land shall be valued as rangeland under the premise that the presence of trees is a management choice of crop or mix of crops. If the forestland is neither grazed nor produces timber products, it is not qualified as agricultural land.

(n) "Range Site", according to the NRCS, is "an area of rangeland where climate, soil and relief are sufficiently uniform to produce a distinct natural plant community."

(o) "Rangeland Grouping". Roughly 40 different range sites in Wyoming have been consolidated into five rangeland groupings. These rangeland groupings are a mix of range sites that have similar animal unit month (AUM) production. The rangeland groupings are categorized by the Department as R-1, R-2, R-3, R-4 & R-5. The R-1 grouping is the most productive in any LRA and the R-5 grouping is the least productive.

(p) "NRCS" is an acronym for the U.S. Department of Agriculture, Natural Resources Conservation Service.

(q) "Soil" means a natural three-dimensional body at the earth's surface. It is capable of supporting plants and has properties resulting from living matter acting on earthly parent material as conditioned by relief over periods of time. Soil classes, as applied herein, are in accordance with the Department Mapping and Agricultural Manual.

(r) "Sub-irrigated hay meadows" means lands mechanically harvested that receives water from springs or other natural sources.

(s) "Summer fallow" means the tillage of un-cropped land during the summer to control weeds and allow storage of moisture for the growth of a later crop.

(t) "USDA" is an acronym for the U.S. Department of Agriculture.

(u) "Waste land" means land, which has minimum economic value owing to inaccessibility, boggy conditions, sparseness of forage growth, or ditches, roads, and submerged lands, which contribute, to poor grazing conditions for livestock. It is less productive than Rangeland Class R-5.

(v) The "Mapping and Agricultural Manual" produced by the Department is the official standard for mapping and agricultural land productivity specifications and valuations for property tax purposes in accordance with Wyoming Statute 39-13-103(b)(x)(B)(IV).

(w) "LRA" is an acronym for Land Resource Area. Land resource areas are groupings of croplands and rangelands with similar productivity levels. Both crop and rangeland have five (5) LRA groupings each. The national weather service and the NRCS have compiled climatic and productivity data. From their original documentation, the Department has grouped the related areas into five (5) LRA's to be used for cropland valuation and five (5) LRA's to be used to be used for rangeland valuation. Crop land LRA's are groupings of land areas that receive similar amounts of precipitation, have a similar length of growing season and share a similar general topography. Rangeland LRA's are groupings of land areas that receive similar amounts of precipitation, share a similar general topography and have similar productivity levels (measured in AUM's per acre). Precipitation amounts are averages from long-term climatic studies and estimate normal conditions.

(x) "Affirming affidavit" means a sworn affidavit affirming that the land meets the requirements of agricultural land definition. The affidavit is found in these Rules.

(y) "Agricultural operation" shall mean a business in the primary pursuit of activities that attempt to produce agricultural products by the application of management, capital and labor consistent with accepted agricultural practices.

(z) "Agricultural products" include the grazing of livestock, growing of crops or forage under cultivated conditions, or the management and harvest of timber products, for commercial purposes.

(aa) "Intervening cause of production failure" means any cause outside of the control of the producer that prevents or significantly impacts the growing of crops, timber products or the grazing of livestock.

(bb) "Bona fide conservation plan" means governmentally approved programs or written recommendations or plans implemented for the conservation of agricultural land or soil. This includes lands enrolled in the CRP. The land must have been classified as agricultural land prior to entering any program. Conservation programs that are designed to conserve and protect wetlands and wildlife habitat are not for the purpose of conserving agricultural land and soil. As such, conservation programs that are designed to conserve and protect wetlands and wildlife habitat do not qualify or disqualify the land from the agricultural classification; all other factors must be considered pursuant to these

rules.

(cc) “WRP” is an acronym for Wetlands Reserve Program, a voluntary program providing technical and financial support to landowners to protect, enhance, and restore their wetland property.

(dd) “Income derived from the marketing of agricultural products” means sales of livestock or crops. Income from an agricultural lease by itself will not qualify land as agricultural unless the land is used by the lessee and he can provide proof of annual gross revenues of not less than one thousand dollars (\$1,000.00) from the marketing of agricultural products.

Section 4. Agricultural Land Productivity Classifications

(a) The Department shall determine the standards and productivity sources used in the assessment of agricultural lands. The Mapping and Agricultural Manual is the Department’s official source for general mapping and agricultural land valuation standards for all County Assessors.

(i) The taxable value of agricultural land for assessment purposes shall be based on its current use as of the assessment date and the capability of the land to produce agricultural products. The agricultural land productivity shall be based on average yields under normal conditions of lands within the same classification.

(ii) The classification of agricultural land, for assessment purposes, shall be based on the Mapping and Agricultural Manual in which the soil’s capability to produce vegetation will be determined for three principal agricultural uses; irrigated crop land, dry crop land, and rangeland.

(iii) The Department shall categorize and generalize soil productivity classifications used in the valuation of agricultural lands. This includes determining a range of production values based on the three principal agricultural uses.

(iv) Approved methods for the determination of agricultural productivity include, but are not limited to, the following resources:

(A) NRCS Published Soil Survey is the preferred method by which to determine productivity for irrigated cropland, dry cropland and rangeland. In counties where published NRCS Soil Survey information is available, soils productivity data derived there in shall be considered the best information available. Soil Survey information shall be prepared and maintained in accordance with the Mapping and Agricultural Manual. When necessary, the NRCS Published Soil Surveys are organized and are prepared by the Department for use by the County Assessor.

(B) In counties where published NRCS Soil Survey information is not available, alternative methods of determining productivity are allowed. Alternative sources for agricultural productivity information include, but are not limited to third party soil

surveys based from aerial photography, infrared photography, satellite imagery, and on-going crop yield survey information. The Department may assist the County Assessor in the identification and compilation of non-NRCS Soil Survey information when requested. All non-NRCS Soil Survey agricultural productivity information being developed directly by the County Assessor must be approved by the Department for uniformity prior to its implementation.

(v) The Department is the primary contact with the NRCS for the review and correction of soil productivity related issues. This includes, but is not limited to, the correction of published hardcopy and digital NRCS soils maps.

(vi) The Department shall develop and maintain LRA maps. These maps shall be included within the standards set forth by the Department's Mapping and Agricultural Manual.

(b) The County Assessors shall adhere to the standards and productivity sources as specified in the Department's Mapping and Agricultural Manual.

(i) Each County Assessor shall purchase and maintain all supplies used in the mapping process. These may include, but are not limited to, aerial photography, rectified aerial photography, infrared photography, satellite imagery, topographic maps and all hardware and software used in the mapping process.

(ii) Each County Assessor shall use the best information available in determining soil productivity. In counties where the NRCS Published Soil Survey does not cover the majority of the geographical contents of the jurisdiction, the County Assessor has the discretion to use a single, uniform source for the productivity data. All sources for agricultural productivity, other than the NRCS Published Soil Survey, must be approved for use by the Department prior to implementation.

(iii) Each County Assessor shall develop and maintain current maps, in accordance with the Mapping & Agricultural Manual, that depict all three categories of agricultural land use, which include irrigated crop land, dry crop land and rangeland.

(iv) The County Assessor shall tabulate, in either hard copy or digital form, the productivity level, LRA, parcel ownership and land use for irrigated cropland, dry cropland and rangeland.

(v) The County Assessor shall not modify the published LRA due to the current weather or precipitation conditions.

Section 5. Agricultural Land Valuation

(a) Valuation amounts for agricultural land for assessment purposes shall be based upon the Department's Mapping and Agricultural Manual, and shall be published

annually by January first or as soon thereafter as possible by the Department. The valuation of agricultural land is based upon the land's capability to produce forage or crops. Rangeland is valued based on grazing fees per animal unit month (AUM), dry cropland is valued based on all wheat production, and irrigated cropland is valued based on all hay production.

(b) Department responsibilities include using:

(i) The Productivity Method of Value. Productive capability of agricultural land for valuation purposes may be determined by classification of such land and application of a capitalized earnings approach.

(A) Agricultural income may be projected by developing gross income estimates, when possible, based on published data. Projected net income to be capitalized may be determined by applying typical rental shares to projected gross income.

(B) The commodity prices of the agricultural products in Wyoming are based on data from the Wyoming Agricultural Statistics Service. Annually, the Wyoming Agricultural Statistics Service makes estimates of the marketing year average price received by farmers and ranchers for all hay, all wheat and for grazing on privately owned non-irrigated land. The annual prices obtained from the Wyoming Agricultural Statistics Service are converted to a five year weighted average

(ii) Land Use Valuation Procedure.

(A) Irrigated Crop Land.

(I) The gross income from irrigated cropland is based on the price of all hay reported in dollars per ton by the Wyoming Agricultural Statistics Service. This price information is converted to a 5 year weighted average. The gross income from irrigated cropland is calculated using the 5 year weighted average price of all hay per ton. The net income from irrigated cropland is calculated using the tenant-landlord share (60%-40%) arrangement. The net income is extracted from the landlord share (40% of gross income). Expenses (50% of the landlord share) are then deducted from the landlord share gross income. Expenses are miscellaneous costs that the landlord typically pays. Expenses for irrigated cropland production include water costs and irrigation system maintenance costs. The expenses subtracted from the landlord gross income results in a landlord net income per ton.

(II) An additional deduction is subtracted from the value per ton. This deduction (15% of the value per ton) accounts for a loss in production due to necessary management practices. Irrigated cropland has a loss in production during the seed year or the first year of the hay stand (assuming the stand is replanted every 5 years). The production loss deduction is subtracted from the value per ton to reach a net value per

ton. The net income is then capitalized to reach a land value per acre. This is done by multiplying the yield per acre (in tons per acre) by the net value per ton. This figure is then divided by the capitalization rate, resulting in a land value per acre. The values are applied to the proper soil class (see Chapter 5, Mapping and Agricultural Manual) and the proper crop land LRA (see Chapters 5 and 6, Mapping and Agricultural Manual).

$$\begin{aligned}
 &\text{Landlord share} = 40 \% \text{ of the 5 Year Weighted} \\
 &\quad \text{Average Price of Hay Per Ton} \\
 &\quad \text{-Expenses (50 \% of Landlord Share)} \\
 &\quad \text{Income Per Ton of Hay} \\
 &\quad \text{Income Per Ton of Hay} \\
 &\quad \text{Additional Deductions (Seed Year -15\%)} \\
 &\quad \text{= Net Income Per Ton of Hay}
 \end{aligned}$$

$$\text{Land Value Per Acre} = \frac{\text{Yield Per Acre} \times \text{Net Income Per Ton of Hay}}{\text{Capitalization Rate}}$$

(B) Dry Crop Land

(I) The gross income from dry cropland production is based on the price of all wheat reported in dollars per bushel by the Wyoming Agricultural Statistics Service. The price information is converted to a 5 year weighted average. The gross income from dry cropland is calculated using the 5 year weighted average price of all wheat per bushel.

(II) The net income from dry cropland production is calculated using the tenant-landlord share (66.67-33.33) arrangement. The net income is extracted from the landlord share (33.33% of gross income). Expenses (32% of the landlord share) are then deducted from the landlord share gross income. Expenses are miscellaneous costs that the landlord typically pays. Expenses for dry cropland production include herbicides, insecticides and maintenance nitrogen fertilizer. The expenses subtracted from the landlord gross income results in a landlord net income per bushel.

(III) An additional deduction is subtracted from the value per bushel. This deduction (50% of the value per bushel) accounts for a loss in production due to necessary management practices. Dry cropland has a loss in production due to the acreage being in summer fallow (non-production) each year. The production loss deduction is subtracted from the value per bushel to reach a net value per bushel.

(IV) The net income is then capitalized to reach a land value per acre. This is done by multiplying the yield per acre (in bushel per acre) by the net value per bushel. This figure is then divided by the capitalization rate, resulting in a land value per acre. The values are applied to the proper soil class (see Chapter 5, Mapping and Agricultural Manual) and the proper crop land LRA (see Chapters 5 and 6, Mapping and Agricultural Manual).

Landlord Share 33.33 % of the 5-Year Weighted Average
Price of Wheat Per Bushel

-Expenses (32 % of Landlord Share)

Income Per Bushel of Wheat

Value Per Bushel of Wheat

-Additional Deductions (Summer Fallow)

= Net Income Per Bushel of Wheat

Land Value Per Acre =
$$\frac{\text{Yield Per Acre X Net Income Per Bushel of Wheat}}{\text{Capitalization Rate}}$$

(C) Rangeland

(I) The gross income from rangeland is based on the price of grazing reported in dollars per AUM by the Wyoming Agricultural Statistics Service. This price information is converted to a 5 year weighted average. The gross income from rangeland is calculated using the 5 year weighted price of grazing per AUM. All of the gross income from grazing is treated as cash rent paid to the owner for grazing. Expenses are then deducted from the gross income. Expenses (10% of owner gross income) for rangeland production are miscellaneous costs that the owner typically pays. Expenses for rangeland production include stock water and fence maintenance costs. The expenses subtracted from the gross income results in a net income per AUM.

(II) The net income is then capitalized to reach a land value per acre. This is done by multiplying the yield per acre (in AUM's per acre) by the net income per AUM. This figure is then divided by the capitalization rate, resulting in a land value per acre. Where the minimum values of rangeland and the maximum values of wasteland are less than \$10.00/acre, those values are established at \$10.00/acre for assessment purposes. The values are applied to the proper rangeland grouping (see Chapter 5, Mapping and Agricultural Manual) and the proper rangeland LRA (see Chapters 5 and 6, Mapping and Agricultural Manual).

5 Year Weighted Average Monthly Rent Per AUM
- Expenses (10 % of owner gross income)= Net Income Per AUM
Land Value Per Acre =
$$\frac{\text{Yield Per Acre X Net Income Per AUM}}{\text{Capitalization Rate}}$$

(D) Conservation Reserve Program Lands (CRP). CRP land shall be taxed according to its use and class before it was enrolled in the CRP Program. This was most generally a class of dry cropland; however some irrigated land has also been placed in CRP. If it is suggested that CRP be valued at rangeland value, evidence should be provided that the land has lost its crop acreage base (CAB) and will not be returned to a cropland status in the future or at the end of the 10-year CRP program. Written documentation of the loss of crop acreage base (CAB) could be obtained from the County FSA office.

(c) The County Assessor shall analyze and select the value used, within the range of values for the current year as published in the Department's Agricultural Land Valuation Study for each productivity category and LRA that is present within the county. This analysis may be based on local review of the agricultural land property, specific soil productivity conditions, mapped soil classifications, LRA's, published or independent production yield surveys.

Section 6. Prescribed Sworn Affidavit

The following form is prescribed as the sworn affidavit for use by all County Assessors pursuant to W.S. 39-13-103(b)(x)(A). The sworn affidavit shall be available in the County Assessor's office upon request. Any producer wishing to receive agricultural classification of his/her land shall provide the prescribed sworn affidavit, as well as supporting documentation, to the County Assessor.

PARCEL (STATE) I.D. # _____ LOCAL I.D. # _____
R# _____ DISTRICT _____ Assessment Year _____ Int. _____

AFFIDAVIT FOR AGRICULTURAL LAND CLASSIFICATION

Owner Name(s): _____ Mailing Address: _____

Legal Description of Property (if lengthy, please attach): _____

Wyoming statute provides that contiguous or noncontiguous parcels of land under one (1) operation owned or leased shall qualify for classification as agricultural land if the land meets each of the following four qualifications (initial all that apply):

1. The land is presently being used and employed for an agricultural purpose. Initial the applicable classification:

- ☐ _____ Cultivation of the soil for production of crops
☐ _____ Production of timber products or grasses for grazing
☐ _____ Grazing of livestock

2. _____ The land is not part of a platted subdivision. Pursuant to §39-13-103(b) (x) (B) (II) individual subdivision parcels of thirty-five (35) acres or more "which otherwise qualifies as agricultural land" may be considered for agricultural classification.

3. Initial the applicable statement:

- ☐ _____ The land is not leased land and the owner has derived annual gross revenues of not less than five hundred dollars (\$500.00) from the marketing of agricultural products from the subject land.
☐ _____ The land is leased and the lessee has derived annual gross revenues of not less than one thousand dollars (\$1,000.00) from the marketing of agricultural products. The applicant must provide name and address of lessee.

Lessee Name: _____

Mailing Address: _____

4. _____ The land has been used consistent with the land's size, location and capability to produce as an agricultural operation.

If the land has not met the requirements of 3 and 4 above, I state that at least one of the following occurred (initial all that apply). Attach explanation.

- ☐ _____ The land has experienced an intervening cause of production failure beyond my control.
☐ _____ I have caused a marketing delay for economic advantage.
☐ _____ The land participates in a bona fide conservation program in which case proof by an affidavit showing qualifications in a previous year shall suffice.
☐ _____ A crop has been planted that will not yield an income in the taxable year.

I _____, the owner(s) of the land described above, do solemnly swear (or affirm) that land contained in the legal description noted above has met the requirements of §39-13-103(b) (x) (B) which are outlined in this form.

Signature(s): _____ Date: _____

Printed Name(s): _____ Phone: _____

State of _____
County of _____)ss

Subscribed and sworn before me this _____ day of _____, 20____ by

Notary Public _____
My Commission Expires: _____

(Seal)

Pursuant to §39-1-103(b) (x) (C)... "When deemed necessary, the county assessor may require further supporting documentation."

CHAPTER 10

DESIGNATION, CLASSIFICATION AND VALUATION OF AGRICULTURAL ~~AND NON-AGRICULTURAL~~ LANDS FOR PROPERTY TAXATION

Section 1. Authority. These rules are promulgated under authority of W.S. 39-11-102(b), W.S. 39-13-101, W.S. 39-13-103(b)(x).

Section 2. Purpose. These rules are intended to describe the methods and procedures to be used for designating land as either agricultural or non-agricultural and to describe the methods and procedures for classifying agricultural land as to type, whether irrigated, dry cropland, rangeland, timberland or other; and to describe the valuation methodology to be used to determine the taxable value of agricultural land for property tax purposes. The manuals, formulae, methods, systems, computations, standards, guidelines and criteria to be used by County Assessors and the Department to determine taxable value are set forth herein.

Section 3. Definitions. For the purposes of these rules, the definitions set forth in Wyoming Statutes Title 39, as amended, are incorporated by reference. In addition, the following definitions shall apply:

~~(a) — "Agricultural land" means contiguous or noncontiguous parcels of land presently being used and employed for the primary purpose of providing gross revenue from agricultural or horticultural use or any combination thereof unless part of a platted subdivision. Individual parcels of thirty five (35) acres or more within a subdivision may be considered for agricultural classification pursuant to W.S. 39-13-103 (b)(x)(B)(II). Agricultural land shall generally include land that is actively farmed, ranched or is used to raise timber for timber products (firewood will not be considered a timber product for agricultural classification purposes) to obtain a fair rate of return.~~

~~(i)(a) — "Agricultural" means the primary use of the land is to produce crops, harvest timber or graze livestock for commercial purposes consistent with the land's capability to produce cultivation of the soil, the production of forage or crops, production of timber products; or the rearing, feeding, or management of livestock in domestic or captive environments consistent with the land's capability to produce.~~

~~(ii) — "Primary purpose of obtaining a monetary incentive" means during the year preceding the assessment year the owner of non-leased land has derived annual gross revenues of not less than five hundred dollars (\$500.00) from the marketing of agricultural products from the agricultural operation that includes the subject land and for leased land, the lessee has derived annual gross revenues of not less than one thousand dollars (\$1,000.00) from marketing of agricultural products when conducted consistent with the lands capability to produce.~~

~~(A) — Classification for a production year shall not be affected:~~

~~(I) — by independent intervening causes of production failure or non-productive use beyond the control of the owner or lessee; or~~

~~(II) when the producer causes a marketing delay for economic advantage;~~

~~(III) by participation in a bona fide conservation program, in which case proof by an affidavit showing qualification in a previous year shall suffice; or~~

~~(IV) when the producer has planted a crop that will not yield an income in the tax year; or~~

~~(V) Harvesting firewood, shrubs or seeds that grow wild on the land will not qualify land as agricultural unless accompanied by other agricultural activities, which would produce a monetary incentive and are consistent with the land's capability to produce.~~

(b) "Platted Subdivision" means for the purpose of Chapter 13 of Title 39, the creation of a lot, parcel, or other unit of land; or division of a lot, parcel, or other unit of land into one or more parts that has received approval from the governing body in whose jurisdiction the property resides at the time of creation and is recorded in the records of the county clerk.

(c) "Non-agricultural lands" shall include but not be limited to lands as described in the State of Wyoming ~~m~~Market ~~v~~Valuation of Residential, Commercial and Industrial Lands as published by the Department ~~of Revenue, Ad Valorem Tax Division:~~

~~(i) — Lands classified within neighborhood boundaries as residential, commercial, industrial or rural, whether vacant or improved;~~

~~(ii) — (i) Lands in active transition from agricultural use to residential, commercial or industrial use, which includes creation or division of a tract, parcel or other unit of land for the purpose of sale or development for such use;~~

~~(iii) — (ii) Farmsteads with lands occupied by buildings which constitute the home site including one or more acres (as determined by the County Assessor) of land used in direct connection with the home site;~~

~~(iv) — Condominium complexes with proportionate interests in ownership of the land;~~

~~(v) — (iii) Commercial land used for retail stores and shops, commercial parking, high-rise structures, shopping centers, offices, apartment houses, warehouses, commercial feed lots, dude ranch facilities, and other commercial or income purposes;~~

~~(vi) — Land or land and improvements altered to accommodate industrial uses for assembling, processing or manufacturing a product or in providing a service;~~

~~(vii) — (iv) Land where Topsoil is removed or topography is disturbed to the extent that the property cannot be used to raise crops, timber or to graze livestock;~~

~~(viii) — (v) Resort or recreational lands, including dude ranch facilities, summer homes or mountain cabins; and~~

~~(ix) — Parcels of land thirty five (35) acres or less unless the landowner provides proof that such land should otherwise be classified as agricultural land.~~

(vi) Land zoned for purposes, which exclude agricultural uses;

(vii) Activities on land which occur after the crop is harvested or animal has been raised do not qualify land for agricultural assessment. A storage activity by a non-producer does not qualify property for agricultural assessment. Processing activities, whether or not by a producer, such as pasteurizing and bottling milk, cheese making, honey candy manufacturing or slaughtering, dressing and packing meat do not qualify land for agricultural assessment-;

(A) In general, processing begins with those activities typically carried out at the first level of trade beyond production, which activities enhance the value of primary agricultural products. Milling grain, pasteurizing milk, packaging vegetables and milling timber constitute processing. Packaging products for transport to either the wholesale or retail markets does not constitute processing, but packaging them for sale does. The test is whether the packaging used for transport is suitable packaging for retail sale. Storage within the wholesale trade constitutes processing, as would slaughter of livestock. The producer's interim storage or slaughter prior to sale to a wholesaler or other middleman is not processing.

(B) For silage, while the final product is different from the product as initially stored, the process shall still be considered a primary production activity.

(D)(viii) Land grazed by any animal kept as a hobby;

(ix) Land used to harvest firewood, shrubs or seeds that grow wild on the land;

(x) Land used for the activity of hunting or harvesting game animals or birds.

(d) "Primarily" means chiefly or the first importance.

(e) "FSA" is an acronym for the U.S. Department of Agriculture, Farm Service Agency.

(f) "AUM" is an acronym for animal unit month, the amount of forage required to maintain a 1,000 lb cow, with or without a calf, for one month.

(g) "CAB" is an acronym for crop acreage base. CAB is applicable to any crop eligible to be enrolled in a FSA government support program.

(h) "Capitalization rate" is a ratio between anticipated future income, either accounting income or cash flow, and present value. For property tax purposes the Department will use the following:

(i) The capitalization rate used in valuation of the agricultural lands is the 5 year weighted average of the annual Farm Credit Bank's average long term loan portfolio rates (obtained from Farm Credit). The average interest rates for the past 5 years are converted to a weighted average to establish the capitalization rate. This is calculated by multiplying the current year's interest rate by a factor of 5. The previous years' rates are multiplied by factors of 4, 3, 2 and 1 respectively. This total is divided by 15 to achieve the 5 year weighted average. This capitalization rate is used in the income approach for the valuation of all agricultural lands (irrigated crop land, dry crop land, rangeland, timberland or other).

(i) ~~“CRP” is an acronym for Conservation Reserve Program. CRP is a federal program which pays a yearly rental payment in exchange for farmers removing environmentally sensitive land from agricultural production and planting species that will improve environmental quality.~~

(j) ~~“Dry Crop Land” means any land which is cultivated and harvested by mechanical means, and is used in the production of cereal grains and row crops, alfalfa, legumes or grass hay, including sub-irrigated hay meadows, or Christmas, ornamental and nursery trees without the artificial application of water.~~

(k) ~~“Irrigated Crop Land” means any land, which has water applied to it by artificial means for the purpose of producing food or fiber, or Christmas, ornamental and nursery trees. The value of irrigation and sprinkler systems, used in applying water to agricultural lands, is included in the productivity formula and should not be valued separately.~~

(l) ~~“Land Capability Classification System” for taxation purposes, applies to the productivity valuation of cropland. Soils placed in the Land Capability Classification System are governed by a series of limitations. Major limitations include, but are not limited to, length of growing season (frost-free growing period), precipitation, texture, salinity, alkalinity, stoniness, drainage, permeability, and slop of the soil.~~

~~(m) “Rangeland” means any land, which is used for livestock production, and cannot or has not been cultivated, by mechanical means. Wasteland and inaccessible land shall also be included in this category. The presence of trees is not considered a detriment to production and the land shall be valued as rangeland under the premise that the presence of trees is a management choice of crop or mix of crops. If the forestland is neither grazed nor produces timber products, it is not qualified as agricultural land.~~

~~(n) “Range Site”, according to the NRCS, is “an area of rangeland where climate, soil and relief are sufficiently uniform to produce a distinct natural plant community.”~~

~~(o) “Rangeland Grouping”. Roughly 40 different range sites in Wyoming have been consolidated into five rangeland groupings. These rangeland groupings are a mix of range sites that have similar animal unit month (AUM) production. The rangeland groupings are categorized by the Department as R-1, R-2, R-3, R-4 & R-5. The R-1 grouping is the most productive in any LRA and the R-5 grouping is the least productive.~~

~~(p) “NRCS” is an acronym for the U.S. Department of Agriculture, Natural Resources Conservation Service.~~

~~(q) “Soil” means a natural three-dimensional body at the earth's surface. It is capable of supporting plants and has properties resulting from living matter acting on earthly parent material as conditioned by relief over periods of time. Soil classes, as applied herein, are in accordance with the Department Mapping and Agricultural Manual.~~

~~(r) “Sub-irrigated hay meadows” means lands mechanically harvested that receives water from springs or other natural sources.~~

~~(s) "Summer fallow" means the tillage of un-cropped land during the summer to control weeds and allow storage of moisture for the growth of a later crop.~~

~~(t) "USDA" is an acronym for the U.S. Department of Agriculture.~~

~~(u) "Waste land" means land, which has minimum economic value owing to inaccessibility, boggy conditions, sparseness of forage growth, or ditches, roads, and submerged lands, which contribute, to poor grazing conditions for livestock. It is less productive than Rangeland Class R-5.~~

~~(v) The "Mapping and Agricultural Manual" produced by the Department is the official standard for mapping and agricultural land productivity specifications and valuations for property tax purposes in accordance with Wyoming Statute 39-13-103(b)(x)(B)(IV).~~

~~(w) "LRA" is an acronym for Land Resource Area. Land resource areas are groupings of croplands and rangelands with similar productivity levels. Both crop and rangeland have five (5) LRA groupings each. The national weather service and the NRCS have compiled climatic and productivity data. From their original documentation, the Department has grouped the related areas into five (5) LRA's to be used for cropland valuation and five (5) LRA's to be used to be used for rangeland valuation. Crop land LRA's are groupings of land areas that receive similar amounts of precipitation, have a similar length of growing season and share a similar general topography. Rangeland LRA's are groupings of land areas that receive similar amounts of precipitation, share a similar general topography and have similar productivity levels (measured in AUM's per acre). Precipitation amounts are averages from long-term climatic studies and estimate normal conditions.~~

~~(x) "Affirming affidavit" means a sworn affidavit affirming that the land meets the requirements of agricultural land definition. The affidavit is found in these Rules.~~

~~(y) "Agricultural operation" shall mean a business in the primary pursuit of activities that attempt to produce agricultural products by the application of management, capital and labor consistent with accepted agricultural practices.~~

~~(z) "Agricultural products" include the grazing of livestock, growing of crops or forage under cultivated conditions, or the management and harvest of timber products, for commercial purposes.~~

~~(aa) "Intervening cause of production failure" means any cause outside of the control of the producer that prevents or significantly impacts the growing of crops, timber products or the grazing of livestock.~~

~~(bb) "Bona fide conservation plan" means governmentally approved programs or written recommendations or plans implemented for the conservation of agricultural land or soil. This includes lands enrolled in the CRP. The land must have been classified as agricultural land prior to entering any program. Conservation programs that are designed to conserve and protect wetlands and wildlife habitat are not for the purpose of conserving agricultural land and soil. As such, conservation programs that are designed to conserve and protect wetlands and wildlife habitat do not qualify or disqualify the land from the agricultural classification; all other factors must be considered pursuant to these~~

rules:

~~(cc) — “WRP” is an acronym for Wetlands Reserve Program, a voluntary program providing technical and financial support to landowners to protect, enhance, and restore their wetland property.~~

~~(d)-(dd) “Income derived from the marketing of agricultural products” means sales of livestock or crops. Income from an agricultural lease by itself will not qualify land as agricultural unless the land is used by the lessee and he can provide proof of annual gross revenues of not less than one thousand dollars (\$1,000.00) from the marketing of agricultural products.~~

~~Section 4. — Designation and Valuation of Non-agricultural Lands.~~

~~In determining the fair market value for tax purposes of non-agricultural lands as defined in these Rules, the appraiser shall use the methods outlined in Chapter 9, section 6 of these Rules.~~

Section 4. — Agricultural Land Productivity Classifications

~~(a) — The Department shall determine the standards and productivity sources used in the assessment of agricultural lands. The Mapping and Agricultural Manual is the Department’s official source for general mapping and agricultural land valuation standards for all County Assessors.~~

~~(i) — The taxable value of agricultural land for assessment purposes shall be based on its current use as of the assessment date and the capability of the land to produce agricultural products. The agricultural land productivity shall be based on average yields under normal conditions of lands within the same classification.~~

~~(ii) — The classification of agricultural land, for assessment purposes, shall be based on the Mapping and Agricultural Manual in which the soil’s capability to produce vegetation will be determined for three principal agricultural uses; irrigated crop land, dry crop land, and rangeland.~~

~~(iii) — The Department shall categorize and generalize soil productivity classifications used in the valuation of agricultural lands. This includes determining a range of production values based on the three principal agricultural uses.~~

~~(iv) — Approved methods for the determination of agricultural productivity include, but are not limited to, the following resources:~~

~~(A) — NRCS Published Soil Survey is the preferred method by which to determine productivity for irrigated cropland, dry cropland and rangeland. In counties where published NRCS Soil Survey information is available, soils productivity data derived there in shall be considered the best information available. Soil Survey information shall be prepared and maintained in accordance with the Mapping and Agricultural Manual. When necessary, the NRCS Published Soil Surveys are organized~~

~~and are prepared by the Department for use by the County Assessor.~~

~~(B) — In counties where published NRCS Soil Survey information is not available, alternative methods of determining productivity are allowed. Alternative sources for agricultural productivity information include, but are not limited to third party soil surveys based from aerial photography, infrared photography, satellite imagery, and on-going crop yield survey information. The Department may assist the County Assessor in the identification and compilation of non-NRCS Soil Survey information when requested. All non-NRCS Soil Survey agricultural productivity information being developed directly by the County Assessor must be approved by the Department for uniformity prior to its implementation.~~

~~(v) — The Department is the primary contact with the NRCS for the review and correction of soil productivity related issues. This includes, but is not limited to, the correction of published hardcopy and digital NRCS soils maps.~~

~~(vi) — The Department shall develop and maintain LRA maps. These maps shall be included within the standards set forth by the Department's Mapping and Agricultural Manual.~~

~~(b) — The County Assessors shall adhere to the standards and productivity sources as specified in the Department's Mapping and Agricultural Manual.~~

~~(i) — Each County Assessor shall purchase and maintain all supplies used in the mapping process. These may include, but are not limited to, aerial photography, rectified aerial photography, infrared photography, satellite imagery, topographic maps and all hardware and software used in the mapping process.~~

~~(ii) — Each County Assessor shall use the best information available in determining soil productivity. In counties where the NRCS Published Soil Survey does not cover the majority of the geographical contents of the jurisdiction, the County Assessor has the discretion to use a single, uniform source for the productivity data. All sources for agricultural productivity, other than the NRCS Published Soil Survey, must be approved for use by the Department prior to implementation.~~

~~(iii) — Each County Assessor shall develop and maintain current maps, in accordance with the Mapping & Agricultural Manual, that depict all three categories of agricultural land use, which include irrigated crop land, dry crop land and rangeland.~~

~~(iv) — The County Assessor shall tabulate, in either hard copy or digital form, the productivity level, LRA, parcel ownership and land use for irrigated cropland, dry cropland and rangeland.~~

~~(v) — The County Assessor shall not modify the published LRA due to the current weather or precipitation conditions.~~

Section 5.——Agricultural Land Valuation

(a)——Valuation amounts for agricultural land for assessment purposes shall be based upon the Department's Mapping and Agricultural Manual, and shall be published annually by January first or as soon thereafter as possible by the Department. The valuation of agricultural land is based upon the land's capability to produce forage or crops. Rangeland is valued based on grazing fees per animal unit month (AUM), dry cropland is valued based on all wheat production, and irrigated cropland is valued based on all hay production.

(b)——Department responsibilities include using:

(i)——The Productivity Method of Value. Productive capability of agricultural land for valuation purposes may be determined by classification of such land and application of a capitalized earnings approach.

(A)——Agricultural income may be projected by developing gross income estimates, when possible, based on published data. Projected net income to be capitalized may be determined by applying typical rental shares to projected gross income.

(B)——The commodity prices of the agricultural products in Wyoming are based on data from the Wyoming Agricultural Statistics Service. Annually, the Wyoming Agricultural Statistics Service makes estimates of the marketing year average price received by farmers and ranchers for all hay, all wheat and for grazing on privately owned non-irrigated land. The annual prices obtained from the Wyoming Agricultural Statistics Service are converted to a five year weighted average

(ii)——Land Use Valuation Procedure.

(A)——Irrigated Crop Land.

(I)——The gross income from irrigated cropland is based on the price of all hay reported in dollars per ton by the Wyoming Agricultural Statistics Service. This price information is converted to a 5 year weighted average. The gross income from irrigated cropland is calculated using the 5 year weighted average price of all hay per ton. The net income from irrigated cropland is calculated using the tenant landlord share (60%-40%) arrangement. The net income is extracted from the landlord share (40% of gross income). Expenses (50% of the landlord share) are then deducted from the landlord share gross income. Expenses are miscellaneous costs that the landlord typically pays. Expenses for irrigated cropland production include water costs and irrigation system maintenance costs. The expenses subtracted from the landlord gross income results in a landlord net income per ton.

~~(H) An additional deduction is subtracted from the value per ton. This deduction (15% of the value per ton) accounts for a loss in production due to necessary management practices. Irrigated cropland has a loss in production during the seed year or the first year of the hay stand (assuming the stand is replanted every 5 years). The production loss deduction is subtracted from the value per ton to reach a net value per ton. The net income is then capitalized to reach a land value per acre. This is done by multiplying the yield per acre (in tons per acre) by the net value per ton. This figure is then divided by the capitalization rate, resulting in a land value per acre. The values are applied to the proper soil class (see Chapter 5, Mapping and Agricultural Manual) and the proper crop land LRA (see Chapters 5 and 6, Mapping and Agricultural Manual).~~

$$\begin{aligned}
 &\text{Landlord share} = 40 \% \text{ of the 5 Year Weighted} \\
 &\quad \text{Average Price of Hay Per Ton} \\
 &\quad - \text{Expenses (50 \% of Landlord Share)} \\
 &\quad \text{Income Per Ton of Hay} \\
 &\quad \text{Income Per Ton of Hay} \\
 &\quad \text{Additional Deductions (Seed Year -15\%)} \\
 &\quad = \text{Net Income Per Ton of Hay}
 \end{aligned}$$

$$\begin{aligned}
 &\text{Land Value Per Acre} = \text{Yield Per Acre} \times \text{Net Income Per Ton of Hay} \\
 &\quad \text{Capitalization Rate}
 \end{aligned}$$

(B) Dry Crop Land

~~(I) The gross income from dry cropland production is based on the price of all wheat reported in dollars per bushel by the Wyoming Agricultural Statistics Service. The price information is converted to a 5 year weighted average. The gross income from dry cropland is calculated using the 5 year weighted average price of all wheat per bushel.~~

~~(H) The net income from dry cropland production is calculated using the tenant landlord share (66.67-33.33) arrangement. The net income is extracted from the landlord share (33.33% of gross income). Expenses (32% of the landlord share) are then deducted from the landlord share gross income. Expenses are miscellaneous costs that the landlord typically pays. Expenses for dry cropland production include herbicides, insecticides and maintenance nitrogen fertilizer. The expenses subtracted from the landlord gross income results in a landlord net income per bushel.~~

~~(HH) An additional deduction is subtracted from the value per bushel. This deduction (50% of the value per bushel) accounts for a loss in production due to necessary management practices. Dry cropland has a loss in production due to the acreage being in summer fallow (non production) each year. The production loss deduction is subtracted from the value per bushel to reach a net value per bushel.~~

~~(IV) The net income is then capitalized to reach a land value per acre. This is done by multiplying the yield per acre (in bushel per acre) by the net value per bushel. This figure is then divided by the capitalization rate, resulting in a land value per acre. The values are applied to the proper soil class (see Chapter 5, Mapping and Agricultural Manual) and the proper crop land LRA (see Chapters 5 and 6, Mapping and Agricultural Manual).~~

Landlord Share 33.33 % of the 5-Year Weighted Average
Price of Wheat Per Bushel

-Expenses (32 % of Landlord Share)

Income Per Bushel of Wheat

Value Per Bushel of Wheat

-Additional Deductions (Summer Fallow)

= Net Income Per Bushel of Wheat

Land Value Per Acre =
$$\frac{\text{Yield Per Acre X Net Income Per Bushel of Wheat}}{\text{Capitalization Rate}}$$

(C) Rangeland

~~(I) The gross income from rangeland is based on the price of grazing reported in dollars per AUM by the Wyoming Agricultural Statistics Service. This price information is converted to a 5 year weighted average. The gross income from rangeland is calculated using the 5 year weighted price of grazing per AUM. All of the gross income from grazing is treated as cash rent paid to the owner for grazing. Expenses are then deducted from the gross income. Expenses (10% of owner gross income) for rangeland production are miscellaneous costs that the owner typically pays. Expenses for rangeland production include stock water and fence maintenance costs. The expenses subtracted from the gross income results in a net income per AUM.~~

~~Section 5.(II) The net income is then capitalized to reach a land value per acre. This is done by multiplying the yield per acre (in AUM's per acre) by the net income per AUM. This figure is then divided by the capitalization rate, resulting in a land value per acre. Where the minimum values of rangeland and the maximum values of wasteland are less than \$10.00/acre, those values are established at \$10.00/acre for assessment purposes. The values are applied to the proper rangeland grouping (see Chapter 5, Mapping and Agricultural Manual) and the proper rangeland LRA (see Chapters 5 and 6, Mapping and Agricultural Manual).~~

5 Year Weighted Average Monthly Rent Per AUM

- Expenses (10 % ~~po~~f owner gross income)

= Net Income Per AUM

$$\text{Land Value Per Acre} = \frac{\text{Yield Per Acre} \times \text{Net Income Per AUM}}{\text{Capitalization Rate}}$$

~~(D) Conservation Reserve Program Lands (CRP). CRP land shall be taxed according to its use and class before it was enrolled in the CRP Program. This was most generally a class of dry cropland; however some irrigated land has also been placed in CRP. If it is suggested that CRP be valued at rangeland value, evidence should be provided that the land has lost its crop acreage base (CAB) and will not be returned to a cropland status in the future or at the end of the 10-year CRP program. Written documentation of the loss of crop acreage base (CAB) could be obtained from the County FSA office.~~

~~(c) The County Assessor shall analyze and select the value used, within the range of values for the current year as published in the Department's Agricultural Land Valuation Study for each productivity category and LRA that is present within the county. This analysis may be based on local review of the agricultural land property, specific soil productivity conditions, mapped soil classifications, LRA's, published or independent production yield surveys.~~

Section 6. Prescribed Sworn Affidavit

The following form is prescribed as the sworn affidavit for use by all eCounty aAssessors pursuant to W.yoming-S.tatute 39-13-103(b)(x)(A). The sworn affidavit shall be available in the eCounty aAssessor's office upon request. Any producer wishing to receive agricultural classification of his/her land shall provide the prescribed sworn affidavit, as well as supporting documentation, to the eCounty aAssessor.

PARCEL (STATE) I.D. #

LOCAL I.D. #

R#

DISTRICT

Assessment Year

Int.

AFFIDAVIT FOR AGRICULTURAL LAND CLASSIFICATION

Assessment Year: _____

Owner Name(s): _____ Mailing Address: _____

Legal Description of Property (if lengthy, please attach): _____

Parcel Number(s): _____

Wyoming statute provides that contiguous or noncontiguous parcels of land under one (1) operation owned or leased shall qualify for classification as agricultural land if the land meets each of the following four qualifications (initial all that apply):

1. The land is presently being used and employed for an agricultural purpose. Initial the applicable classification:

- ☐ _____ Cultivation of the soil for production of crops
- ☐ _____ Production of timber products or grasses for grazing forage
- ☐ _____ Rearing, feeding, gGrazing or management of livestock

2. _____ The land is not part of a platted subdivision. Pursuant to §39-13-103(b) (x) (B) (II) individual subdivision parcels of thirty-five (35) acres or more "which otherwise qualifies as agricultural land" may be considered for agricultural classification.

3. Initial the applicable statement:

- ☐ _____ The land is not leased land and the owner has derived annual gross revenues of not less than five hundred dollars (\$500.00) from the marketing of agricultural products from the subject land.
- ☐ _____ The land is leased and the lessee has derived annual gross revenues of not less than one thousand dollars (\$1,000.00) from the marketing of agricultural products. The applicant must provide name and address of lessee.

Lessee Name: _____

Mailing Address: _____

4. _____ The land has been used consistent with the land's size, location and capability to produce as an agricultural operation ~~as defined by Department of Revenue Rules and the Mapping & Agricultural Manual as published by the Department of Revenue (please initial).~~

If the land has not met the requirements of 3 and 4 above, I state that at least one of the following occurred (initial all that apply).

~~Please attach an explanation of all that apply.~~

- ☐ _____ The land has experienced an intervening cause of production failure beyond my control.
- ☐ _____ I have caused a marketing delay for economic advantage.
- ☐ _____ The land participates in a bona fide conservation program in which case proof by an affidavit showing qualifications in a previous year shall suffice.
- ☐ _____ A crop has been planted that will not yield an income in the taxable year.

I _____, the owner(s) of the land described above, do solemnly swear (or affirm) that land contained in the legal description noted above has met the requirements of §39-13-103(b) (x) (B) which are outlined in this form.

Signature(s): _____ Date: _____

Printed Name(s): _____ Phone: _____

State of Wyoming _____)

a. _____) SS _____ Subscribed and sworn before me this _____ day of _____

County of _____) 20____, by _____

_____) Notary Public

My Commission expires: _____

State of _____) ss _____ Subscribed and sworn before me this _____ day of _____, 20____ by _____

County of _____)

Notary Public _____

My Commission Expires: _____ (Seal)

Pursuant to §39-1-103(b) (x) (C)... “When deemed necessary, the county assessor may require further supporting documentation.”

CHAPTER 11

~~AD VALOREM CLASSIFICATION, VALUATION, METHODOLOGY, AND ASSESSMENT FOR DESIGNATED AGRICULTURAL LAND~~

~~Section 1. Authority. These Rules are promulgated under authority of W.S. 39-11-102(b) and 39-13-101, 39-13-103(b)(x).~~

~~Section 2. Purpose of Rules. These rules are intended to describe the methods and procedures for classifying agricultural land as to type, whether irrigated, dry cropland, rangeland, timberland or other; and to describe the valuation methodology to be used to determine the taxable value of agricultural land for ad valorem tax purposes. The manuals, formulae, methods, systems, computations, standards, guidelines and criteria to be used by the County Assessors and Ad Valorem Tax Division to determine taxable value are set forth herein.~~

~~Section 3. Definitions. For the purpose of ad valorem taxation under these Rules, the definitions set forth in Title 39, as amended, are incorporated herein by reference. In addition, the following definitions shall apply:~~

~~(a) — "FSA" is an acronym for the U.S. Department of Agriculture, Farm Service Agency, formerly known as ASCS (Agricultural Stabilization Conservation Service).~~

~~(b) — "AUM" is an acronym for animal unit month, the amount of forage required to maintain a 1,000 lb cow, with or without a calf, for one month.~~

~~(c) — "CAB" is an acronym for crop acreage base. CAB is applicable to any crop eligible to be enrolled in a FSA government support program.~~

~~(d) — "Capitalization rate" is a ratio between anticipated future income, either accounting income or cash flow, and present value. Capitalization ratios can be derived from any income level, but once so derived they can only be applied to a comparable income level. Such rates may be developed by generally accepted appraisal methods, to include but not limited to the following:~~

~~(i) — The capitalization rate used in valuation of the agricultural lands is the 5 year weighted average of the annual Farm Credit Bank's average long term loan portfolio rates (obtained from Farm Credit). At the time of calculation, there are only 9 months of loan rates available for the most current year. Subsequently, the 9 month average is used as the 5th year. The average interest rates for the past 5 years are converted to a weighted average to establish the capitalization rate. This is calculated by multiplying the current year's interest rate by a factor of 5. The previous years' rates are multiplied by factors of 4, 3, 2 and 1 respectively. This total is divided by 15 to achieve the 5 year weighted average. This capitalization rate is used in the income approach for the valuation of all agricultural lands (irrigated crop land, dry crop land, rangeland, timberland or other).~~

~~(e) — "CRP" is an acronym for Conservation Reserve Program. CRP is a program, which supports planting highly erodible crop land to grass or conserving crop for a ten-year period.~~

~~(f) — "Division" shall mean the Ad Valorem Tax Division of the Department of Revenue.~~

~~(g) — "Dry Crop Land" means any land which is harvested by mechanical means, and is used in the production of cereal grains and row crops, alfalfa, legumes or grass hay, including sub-irrigated hay meadows, or Christmas, ornamental and nursery trees.~~

~~(h) — "Irrigated Crop Land" means any land, which has water applied to it by artificial means for the purpose of producing food or fiber, or Christmas, ornamental and nursery trees. The value of irrigation and sprinkler systems, used in applying water to agricultural land, is included in the productivity formula and should not be valued separately.~~

~~(i) — "Land Capability Classification System" for taxation purposes, applies to the productivity valuation of cropland. Soils placed in the Land Capability Classification System are governed by a series of limitations. Major limitations include, but are not limited to, the length of growing season (frost-free growing period), precipitation, texture, salinity, alkalinity, stoniness, drainage, permeability, and slope of the soil.~~

~~(j) — "Rangeland" means any land, which is used for livestock production, and cannot or has not been cultivated, by mechanical means. Wasteland and inaccessible land shall also be included in this category. The presence of trees is not considered a detriment to production and the land shall be valued as rangeland under the premise that the presence of trees is a management choice of crop or mix of crops. If the forestland is neither grazed nor produces timber products, it is not qualified as agricultural land.~~

~~(k) — "Range Site", according to the Natural Resources Conservation Service, is "an area of rangeland where climate, soil and relief are sufficiently uniform to produce a distinct natural plant community."~~

~~(l) — "Rangeland Grouping". Roughly 40 different range sites in Wyoming have been consolidated into five rangeland groupings. These rangeland groupings are a mix of range sites that have similar animal unit month (AUM) production. The rangeland groupings are categorized by the Department as R-1, R-2, R-3, R-4 & R-5. The R-1 grouping is the most productive in any land resource area and the R-5 grouping is the least productive.~~

~~(m) — "NRCS" is an acronym for the U.S. Department of Agriculture, Natural Resources Conservation Service, formerly known as the SCS (Soil Conservation Service).~~

~~(n) — "Soil" means a natural three dimensional body at the earth's surface. It is capable of supporting plants and has properties resulting from living matter acting on earthly parent material as conditioned by relief over periods of time. Soil classes, as applied herein, are in accordance with the Department of Revenue's Mapping and Agricultural Manual.~~

~~(o) — "Sub-irrigated hay meadows" means lands mechanically harvested which receive water from springs or other natural sources.~~

~~(p) — "Summer fallow" means the tillage of un-cropped land during the summer to control weeds and allow storage of moisture for the growth of a later crop.~~

~~(q) — "USDA" is an acronym for the U.S. Department of Agriculture.~~

~~(r) — "Waste land" means land, which has minimum economic value owing to inaccessibility, boggy conditions, sparseness of forage growth, or ditches, roads, and submerged lands, which contribute, to poor grazing conditions for livestock. It is less productive than Rangeland Class R-5.~~

~~(s) — The "Mapping and Agricultural Manual" produced by the Department of Revenue is the official standard for mapping and agricultural land productivity specifications and valuations for property tax purposes in accordance with Wyoming Statute 39-13-103(b)(x)(B)(IV);~~

~~(t) — "LRA" is an acronym for Land Resource Area. Land resource areas are groupings of croplands and rangelands with similar productivity levels. Both crop and rangeland have 5 LRA groupings each. The national weather service and the Natural Resources Conservation Service have compiled climatic and productivity data. From their original documentation, the Division has grouped the related areas into 5 LRA's to be used for cropland valuation and 5 LRA's to be used for rangeland valuation. Crop land LRA's are groupings of land areas that receive similar amounts of precipitation, have a similar length of growing season and share a similar general topography. Rangeland LRA's are groupings of land areas that receive similar amounts of precipitation, share a similar general topography and have similar productivity levels (measured in AUM's per acre). Precipitation amounts are averages from long term climatic studies and estimate normal conditions.~~

~~(u) — "Affirming affidavit" means a sworn affidavit affirming that the land meets the requirements of agricultural land definition. The affidavit is found in Chapter 10 of these Rules.~~

~~(v) — "Agricultural operation" shall mean a business in the pursuit of activities that attempt to produce agricultural products by the application of management, capital and labor consistent with accepted agricultural practices.~~

~~(w) — "Agricultural products" include, but are not limited to, the raising of livestock in a domestic or captive environment, the growing of crops or forage, or the raising of timber products. This does not include the milling, manufacturing or processing of agricultural commodities.~~

~~(x) — "Intervening cause of production failure" means any cause that prevents or significantly impacts the growing, raising or rearing of agricultural products. This definition~~

~~does not include precipitation and number of frost-free days because they are accounted for in the Land Resource Area map.~~

~~(y) —“Bona fide conservation plan” means governmentally approved programs or written recommendations or plans implemented for the conservation of agricultural land or soil. This includes lands enrolled in the Conservation Reserve Program (CRP). The land must have been classified as agricultural land prior to entering any program. Conservation programs that are designed to conserve and protect wetlands and wildlife habitat are not for the purpose of conserving agricultural land and soil. As such, conservation programs that are designed to conserve and protect wetlands and wildlife habitat do not qualify or disqualify the land from the agricultural classification; all other factors must be considered pursuant to Chapter 10, Section 3 of these rules.~~

~~(z) —“WRP” is an acronym for Wetlands Reserve Program, a voluntary program providing technical and financial support to landowners to protect, enhance, and restore their wetland property.~~

~~Section 4. Responsibilities in the Agricultural Land Productivity Classifications~~

~~(a) —Ad Valorem Tax Division responsibilities shall include the determination of standards and productivity sources used in the assessment of agricultural lands. The Mapping and Agricultural Manual is the Department of Revenue’s official source for general mapping and agricultural land valuation standards for all County Assessors.~~

~~(i) —In determining the taxable value of agricultural land for assessment purposes, agricultural land shall be based on its current use as of the assessment date and the capability of the land to produce agricultural products. The agricultural land productivity shall be based on average yields under normal conditions of lands within the same classification.~~

~~(ii) —The classification of agricultural land, for assessment purposes, shall be based on the Mapping and Agricultural Manual in which the soil’s capability to produce vegetation will be determined for three principal agricultural uses; irrigated crop land, dry crop land and rangeland.~~

~~(iii) —It is the Ad Valorem Tax Division’s responsibility to categorize and generalize soil productivity classifications used in the valuation of agricultural lands. This includes determining a range of production values based on the three principal agricultural uses.~~

~~(iv) —Approved methods for the determination of agricultural productivity include, but are not limited to, the following resources:~~

~~(1) —NRCS Published Soil Survey is the preferred method by which to determine productivity for irrigated cropland, dry cropland and rangeland. In counties where published NRCS Soil Survey information is available, soils productivity data derived~~

~~therein shall be considered the best information available. Soil Survey information shall be prepared and maintained in accordance with the Mapping and Agricultural Manual. When necessary, the NRCS Published Soil Surveys are organized and are prepared by the Ad Valorem Tax Division for use by the County Assessor.~~

~~(2) — Areas without a Published NRCS Soil Survey available. In counties where published NRCS Soil Survey information is not available, alternative methods of determining productivity are allowed. Alternative sources for agricultural productivity information include, but are not limited to third party soil surveys based from aerial photography, infrared photography, satellite imagery, and on going crop yield survey information. The Ad Valorem Tax Division may assist the County Assessor in the identification and compilation of non NRCS Soil Survey information when requested. All non NRCS Soil Survey agricultural productivity information being developed directly by the County Assessor must be approved by the Ad Valorem Tax Division for uniformity prior to its implementation.~~

~~(v) — The Ad Valorem Tax Division is the primary contact with the NRCS for the review and correction of soil productivity related issues. This includes, but is not limited to, the correction of published hardcopy and digital NRCS soils maps.~~

~~(vi) — The Ad Valorem Tax Division is responsible for developing and maintaining County Land Resource Area (LRA) maps. These maps shall be included within the standards set forth by the Department's Mapping and Agricultural Manual.~~

~~(b) — The County Assessors responsibilities shall include adhering to the standards and productivity sources as specified in the Department of Revenue's Mapping and Agricultural Manual.~~

~~(i) — Each County Assessor is responsible for purchasing and maintaining all supplies used in the mapping process. These may include, but are not limited to, aerial photography, rectified aerial photography, infrared photography, satellite imagery, topographic maps and all hardware and software used in the mapping process.~~

~~(ii) — Each County Assessor is responsible for using the best information available in determining soil productivity. In counties where the NRCS Published Soil Survey does not cover the majority of the geographical contents of the jurisdiction, the County Assessor has the discretion to use a single, uniform source for the productivity data. All sources for agricultural productivity, other than the NRCS Published Soil Survey, must be approved for use by the Ad Valorem Tax Division prior to implementation.~~

~~(iii) — Each County Assessor is responsible for developing and maintaining current maps, in accordance with the Mapping & Agricultural Manual, that depict all three categories of agricultural land use, which include irrigated crop land, dry crop land and rangeland.~~

~~(iv) — The County Assessor shall tabulate, in either hard copy or digital form, the productivity level, Land Resource Area, parcel ownership and land use for irrigated cropland, dry cropland and rangeland~~

~~(v) — The County Assessor shall not modify the published Land Resource Area due to the current weather or precipitation conditions.~~

~~Section 5. Agricultural Land Valuation.~~

~~(a) — Valuation amounts for agricultural land for assessment purposes shall be based upon the Department of Revenue's Mapping and Agricultural Manual, and shall be published annually by January first or as soon thereafter as possible by the Department of Revenue. The valuation of agricultural land is based upon the land's capability to produce forage or crops. Rangeland is valued based on grazing fees per animal unit month (AUM), dry cropland is valued based on all wheat production, and irrigated cropland is valued based on all hay production.~~

~~(b) — Ad Valorem Tax Division responsibilities include using:~~

~~(i) — The Productivity Method of Value. Productive capability of agricultural land for valuation purposes may be determined by classification of such land and application of a capitalized earnings approach:~~

~~(A) — Agricultural income may be projected by developing gross income estimates, when possible, based on published data. Projected net income to be capitalized may be determined by applying typical rental shares to projected gross income.~~

~~(B) — The commodity prices of the agricultural products in Wyoming are based on data from the Wyoming Agricultural Statistics Service. Annually, the Wyoming Agricultural Statistics Service makes estimates of the marketing year average price received by farmers and ranchers for all hay, all wheat and for grazing on privately owned non-irrigated land. The annual prices obtained from the Wyoming Agricultural Statistics Service are converted to a five year weighted average~~

~~(ii) — Land Use Valuation Procedure.~~

~~(A) — Irrigated Crop Land.~~

~~(I) — The gross income from irrigated cropland is based on the price of all hay reported in dollars per ton by the Wyoming Agricultural Statistics Service. This price information is converted to a 5 year weighted average. The gross income from irrigated cropland is calculated using the 5 year weighted average price of all hay per ton. The net income from irrigated cropland is calculated using the tenant-landlord share (60%-40%) arrangement. The net income is extracted from the landlord share (40% of gross income). Expenses (50% of the landlord share) are then deducted from the landlord share gross income. Expenses are miscellaneous costs that the landlord typically pays.~~

~~Expenses for irrigated cropland production include water costs and irrigation system maintenance costs. The expenses subtracted from the landlord gross income results in a landlord net income per ton.~~

~~(II) — An additional deduction is subtracted from the value per ton. This deduction (15% of the value per ton) accounts for a loss in production due to necessary management practices. Irrigated cropland has a loss in production during the seed year or the first year of the hay stand (assuming the stand is replanted every 5 years). The production loss deduction is subtracted from the value per ton to reach a net value per ton. The net income is then capitalized to reach a land value per acre. This is done by multiplying the yield per acre (in tons per acre) by the net value per ton. This figure is then divided by the capitalization rate, resulting in a land value per acre. The values are applied to the proper soil class (see Chapter 5, Mapping and Agricultural Manual) and the proper cropland LRA (see Chapters 5 and 6, Mapping and Agricultural Manual).~~

$$\begin{aligned} \text{Landlord share} &= 40\% \text{ of the 5 Year Weighted-} \\ &\quad \text{Average Price of Hay Per Ton} \\ &\quad \text{-} \underline{\text{Expenses (50\% of Landlord Share)}} \\ &\quad \text{Income Per Ton of Hay} \end{aligned}$$

$$\begin{aligned} &\quad \text{Income Per Ton of Hay} \\ &\quad \underline{\text{Additional Deductions (Seed Year -15\%)}} \\ &\quad \underline{= \text{Net Income Per Ton of Hay}} \end{aligned}$$

$$\text{Land Value Per Acre} = \frac{\text{Yield Per Acre} \times \text{Net Income Per Ton of Hay}}{\text{Capitalization Rate}}$$

(B) Dry Crop Land:

(I) — The gross income from dry cropland production is based on the price of all wheat reported in dollars per bushel by the Wyoming Agricultural Statistics Service. The price information is converted to a 5 year weighted average. The gross income from dry cropland is calculated using the 5 year weighted average price of all wheat per bushel.

(II) — The net income from dry cropland production is calculated using the tenant-landlord share (66.67-33.33) arrangement. The net income is extracted from the landlord share (33.33% of gross income). Expenses (32% of the landlord share) are then deducted from the landlord share gross income. Expenses are miscellaneous costs that the landlord typically pays. Expenses for dry cropland production include herbicides, insecticides and maintenance nitrogen fertilizer. The expenses subtracted from the landlord gross income results in a landlord net income per bushel.

(III) — An additional deduction is subtracted from the value per bushel. This deduction (50% of the value per bushel) accounts for a loss in production due to necessary management practices. Dry cropland has a loss in production due to the acreage being in summer fallow (non production) each year. The production loss deduction is subtracted from the value per bushel to reach a net value per bushel.

(IV) — The net income is then capitalized to reach a land value per acre. This is done by multiplying the yield per acre (in bushel per acre) by the net value per bushel. This figure is then divided by the capitalization rate, resulting in a land value per acre. The values are applied to the proper soil class (see Chapter 5, Mapping and Agricultural Manual) and the proper crop land LRA (see Chapters 5 and 6, Mapping and Agricultural Manual).

Landlord Share 33.33 % of the 5-Year Weighted-
Average Price of Wheat Per Bushel

-Expenses (32 % of Landlord Share)-
Income Per Bushel of Wheat

Value Per Bushel of Wheat
-Additional Deductions (Summer Fallow)
= Net Income Per Bushel of Wheat

Land Value Per Acre = $\frac{\text{Yield Per Acre} \times \text{Net Income Per Bushel of Wheat}}{\text{Capitalization Rate}}$

~~(C) — Rangeland:~~

~~(I) — The gross income from rangeland is based on the price of grazing reported in dollars per AUM by the Wyoming Agricultural Statistics Service. This price information is converted to a 5 year weighted average. The gross income from rangeland is calculated using the 5 year weighted price of grazing per AUM. All of the gross income from grazing is treated as cash rent paid to the owner for grazing. Expenses are then deducted from the gross income. Expenses (10% of owner gross income) for rangeland production are miscellaneous costs that the owner typically pays. Expenses for rangeland production include stock water and fence maintenance costs. The expenses subtracted from the gross income results in a net income per AUM.~~

~~(II) — The net income is then capitalized to reach a land value per acre. This is done by multiplying the yield per acre (in AUM's per acre) by the net income per AUM. This figure is then divided by the capitalization rate, resulting in a land value per acre. Where the minimum values of rangeland and the maximum values of wasteland are less than \$10.00/acre, those values are established at \$10.00/acre for assessment purposes. The values are applied to the proper rangeland grouping (see Chapter 5, Mapping and Agricultural Manual) and the proper rangeland LRA (see Chapters 5 and 6, Mapping and Agricultural Manual).~~

5-Year Weighted Average Monthly Rent Per AUM
-Expenses (10 % pf owner gross income)
= Net Income Per AUM

$\text{Land Value Per Acre} = \frac{\text{Yield Per Acre} \times \text{Net Income Per AUM}}{\text{Capitalization Rate}}$
--

~~(D) — Conservation Reserve Program Lands (CRP). Conservation Reserve Program (CRP) land shall be taxed according to its use and class before it was enrolled in the CRP Program. This was most generally a class of dry cropland, however some irrigated land has also been placed in CRP. If it is suggested that CRP be valued at rangeland value, evidence should be provided that the land has lost its crop acreage base (CAB) and will not be returned to a cropland status in the future or at the end of the 10-year CRP program. Written documentation of the loss of crop acreage base (CAB) could be obtained from the County FSA office.~~

~~(e) — The County Assessor responsibilities include the analysis and selection of the value used, within the range of values for the current year as published in the Ad Valorem Tax Division's Agricultural Land Valuation Study.~~

~~(i) — The County Assessor shall select the value, within the range of values, for each productivity category that is present within his county. This includes, but is not limited to, Land Resource Areas as specified by in the Mapping and Agricultural Manual and the appropriate production level.~~

~~(A) — Each County Assessor has the discretion to select the value, within the range of established values, based on, but not limited to: local review of the agricultural land property, specific soil productivity conditions and mapped soil classifications land resource areas and independent production yield surveys.~~

~~(B)(A) The County Assessor shall not select the value based on conditions that are already accounted for in the Land Resource areas or productivity maps, which include, but are not limited to precipitation, general topography and soil productivity.~~

WYOMING DEPARTMENT OF REVENUE

CHAPTER 13

PROPERTY TAX APPRAISER EDUCATION AND CERTIFICATION

Section 1. Authority. These rules are promulgated by the Wyoming Department of Revenue under authority of W.S. 18-3-201, W.S. 18-3-204, and W.S. 39-11-102(b).

Section 2. Purpose. These rules are intended to establish, implement, and maintain a mandatory system of education and training for all county assessors and property tax appraisers, and to establish standards and criteria for certification as a property tax appraiser.

Section 3. Definitions.

(a) "Accredited educational course" means any course of instruction sponsored, conducted, or approved by the Department. The term includes pre-approved training in the field, office, online or classroom. Curricula may include any skill or knowledge, technical, legal, and administrative aspects of the appraisal and assessment process, including specific Wyoming applications as approved by the department.

(b) "Assessor" means the duly elected or appointed county assessor in each county serving a current term in office.

(c) "Administrator" means the Administrator of the Department of Revenue, Property Tax Division.

(d) "Permanent certification" means designation as a property tax appraiser conferred by the Department upon the recommendation of the Administrator.

(e) "Temporary certification" means designation as a property tax appraiser conferred by the Department upon the recommendation of the Administrator for only the calendar year following the completion of requirements identified in Section 3(h).

(f) "Wyoming Assessment Practices" refers to courses developed by the department whose curriculum shall include but not limited to:

(i) Statutes, case law, rules and regulations related to property assessment and taxation in Wyoming;

(ii) Computer Assisted Mass Appraisal (CAMA);

(iii) Reporting requirements;

(iv) Appraisal

(g) "Property Tax Appraiser" means all employees of the Department or any County Assessor's office, including county assessors who make valuation judgments used as a basis for property taxation.

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(h) “Valuation judgments” include the following functions: making appraisals and preparing appraisal reports; inventorying properties in which judgments are made as to quality of construction, condition of improvements, and presence of obsolescence; grading and valuing land; collecting and analyzing income and operating expense information and calculating capitalization rates; conducting assessment ratio studies; testifying in hearings or defending appraisals before appeal boards; and analyzing statistical data used in evaluating the accuracy and uniformity of appraisals.

(i) “Proctor” is as required by the organization providing the course.

(j) “IAAO” refers to the International Association of Assessing Officers.

Section 4. Education and Training Programs.

(a) The Administrator shall annually develop, in consultation with the President of the Wyoming Assessors Association, a list of accredited educational courses indicating those that qualify as core and a tentative schedule for the courses to be offered. The Department shall conduct or sponsor accredited educational courses shall be selected by the Department and shall be held subject to cancellation due to unforeseen circumstances or inadequate registration.

(b) The Department shall develop a new assessor orientation course containing sufficient training information for newly elected or appointed assessors to perform the duties and functions of their offices as prescribed by law.

(c) Persons seeking approval of courses not on the accredited educational course list shall submit course information in writing to the Administrator, for determination of approval “prior” to attendance. The request shall include the course name, instructor and credentials, course content or syllabus, number of hours of attendance, date(s) and location. Failure to provide proper documentation in advance shall deny the requestor approval of course work and hours. Cost of these courses shall be the responsibility of the employer. If approved, the Administrator will indicate if the course will be considered a core education course. Programs containing the following subject matter may be considered as accredited programs:

- (i) Property Taxation;
- (ii) Property Appraisal (Real, Personal, Tangible and Intangible);
- (iii) Statistics;
- (iv) Appraisal Modeling;
- (v) Construction;
- (vi) Land use planning, development, zoning and valuation;
- (vii) Real Estate Law;

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(viii) Computer applications where the software is the foundation for an appraisal;

(ix) Mapping;

(x) Geographic Information Systems (GIS);

(xi) Accounting/Auditing;

(xii) Economics

(d) Property Tax Appraisers, who develop courses, revise courses or provide instruction shall be granted additional preparation hours in addition to the approved credit hours up to 2.0 times the credit hours. This shall apply to the first time the course is offered only. Subsequent offerings shall be limited to the approved credit hours unless course material has been substantially revised.

(e) The Department shall budget and be responsible for costs of providing training, such as tuition, books, facility and instructor expenses for department and county employees at Department sponsored accredited educational courses. All other expenses for attendees shall be the responsibility of each respective attendee. Any fees charged by professional organizations for instructional materials, testing or books, resulting from the need for a one time only re-take of a failed test or course, will be the responsibility of the Department. The cost for challenging a course by examination previously not taken shall be the responsibility of the attendee. The Department shall schedule re-testing days and provide any required proctors for Department sponsored accredited educational programs.

(f) The Department shall develop and update a course entitled "Wyoming Assessment Practices" to be offered at minimum every other year.

(g) Students must submit a certificate of completion to the department for courses completed that are not sponsored by the department.

Section 5. Certification.

(a) No individual shall perform the duties or exercise the authority of a property tax appraiser unless certified by the Department.

(b) Certified property tax appraisers shall receive a certificate signed by the Department Director and Division Administrator, indicating the designation and year of certification. Said certificate shall be available for display to the public.

(c) An individual may serve as county assessor without certification for one elected term, and the remainder of any unexpired term to which appointed.

(d) Property Tax Appraisers must fulfill the requirements for Permanent Certification by the end of year six. This six year period begins when the individual's job duties include one or more of the valuation judgments described in Section 3(h).

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(e) The County Assessor for county staff and the Administrator for department staff shall ensure that only certified property tax appraisers within their staff are performing the valuation judgments identified in Section 3(h).

(f) The Department shall refuse to confer a certificate to an individual who may otherwise qualify for certification under this Chapter, upon a written finding the individual has not demonstrated to the Department he or she is competent to perform the necessary work or administer the necessary operation of a County Assessor's Office. Such a finding shall be supported by documentation indicating a pattern of violation or disregard of the law, rules or orders relating to appraisal and assessment of property for tax purposes.

(g) Permanent Certification Requirements

(i) Individuals may qualify for permanent certification as a Property Tax Appraiser by fulfilling one of the following requirements:

(A) Successful completion of IAAO Fundamentals of Real Property Appraisal, the Uniform Standards of Professional Appraisal Practice national (15) hour course and 90 hours of core education courses as identified in Section 6 with passing grade.

(B) Earning and maintaining a current status of professional designation from one of the appraisal organizations of the Appraisal Foundation or a General Real Estate Appraisers License issued by the Wyoming Real Estate Appraisers Board;

(C) Earning and maintaining IAAO "Accredited Member Status".

(ii) If a failed examination is challenged and successfully completed, the student shall receive full credit for the course hours. Any re-test failed shall require the student to retake the entire course over to get credit.

(iii) Successfully completed courses cannot be retaken within a four year period for credit, unless the Department has previously acknowledged that the subject matter changes significantly.

(iv) Every person who holds permanent certification shall in a two (2) calendar year period preceding each assessment date complete a minimum of 28 hours of accredited education. Testing is not required. The IAAO Standards of Professional Practice & Ethics Update Course is required to be taken once every four (4) years.

(v) All course work must be completed by December 31st in order to be granted certification for the following year.

(vi) Lapse of permanent certification

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(A) If period of lapse is less than five (5) years, an individual may regain permanent certification after successful completion, with a passing grade, of twenty eight (28) hours of core education courses.

(B) If 5 years or greater, an individual may regain permanent certification after successful completion, with a passing grade of fifty-six (56) hours of core education courses, in addition, to the Uniform Standards of Professional Appraisal Practice national fifteen (15) hour course.

(h) Temporary Certification Requirements

(i) The Department shall consider the following educational program as qualification for temporary certification:

(A) In year one, complete Fundamentals of Real Property Appraisal. A passing grade must be earned,

(B) In subsequent years complete 28 hours of accredited education coursework.

(ii) In order to receive approval by the Administrator for accredited hours for which a test is given, a certificate indicating a passing grade must be submitted to the department. If a passing grade is not received, no credit shall be granted, however full credit may subsequently be allowed if an applicant retakes the test within one (1) year of course completion, and receives a passing grade. Any retest failed shall require the student to retake the entire course over. Successfully completed courses cannot be retaken within a four year period for credit, unless the Department has previously acknowledged that the subject matter changes significantly.

(iii) All coursework must be completed by December 31st in order to be granted certification for the following year.

Section 6. Accredited Core Education Courses

- (a) IAAO Tested Courses and Tested Workshops;
- (b) New Assessor Orientation (Mandatory for newly elected/appointed Assessors);
- (c) Wyoming Assessment Practices;
- (d) Appropriate core education courses may be approved by the Administrator.

Section 7. Reporting.

(a) On or before the first Monday in November, the Administrator shall make available via the department CAMA web site a county specific listing of the course and

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program hours taken by county employees during the calendar year to the appropriate county assessor. The county assessor shall review and submit information regarding additions, errors, or discrepancies for that calendar year. The Administrator's corrected record of education shall be considered the formal record of education for purposes of property tax appraiser certification.

(b) On or before December 31st of each year, the Administrator shall make available via the department CAMA web site a county specific register of those persons who meet the educational requirements for the following tax year, and are eligible for certification, either temporary or permanent.

(c) On or before February 1st of each year, the Administrator shall provide to the Director of Revenue a final register of those persons eligible for temporary and permanent certification. The Administrator will produce and distribute certification award documents to each qualified person.

(d) The department will provide a report to the state board of equalization listing those individuals achieving certification for the year no later than March 1. In addition, the department will provide a report to the appropriate board of county commissioners listing assessor/staff achieving certification for the year no later than March 1.

Section 8. Penalty.

(a) Excessive absences of any county assessor from required education programs shall be communicated to the appropriate board of county commissioners and to the Governor pursuant to W.S. 18-3-201(b)(iv).

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CHAPTER 13

PROPERTY TAX APPRAISER EDUCATION AND CERTIFICATION

Section 1. Authority. These rules are promulgated by the Wyoming Department of Revenue under authority of W.S. 18-3-201, W.S. 18-3-204, and W.S. 39-11-102(b).

Section 2. Purpose. These rules are intended to establish, implement, and maintain a mandatory system of education and training for all county assessors and property tax appraisers, and to establish standards and criteria for certification as a property tax appraiser.

Section 3. Definitions.

(a) "Accredited educational ~~courseprogram~~" means any course of instruction sponsored, conducted, or approved by the Department. The term includes pre-approved training in the field, office, online or classroom. Curricula may include any skill or knowledge, technical, legal, and administrative aspects of the appraisal and assessment process, including specific Wyoming applications as approved by the department.

(b) "Assessor" means the duly elected or appointed county assessor in each county serving a current term in office.

(c) "Administrator" means the Administrator of the Department of Revenue, Property Tax Division ~~(formerly known as Ad Valorem Tax Division).~~

~~(d) "In-service training programs" mean the accredited educational program regarding the technical, legal, and administrative aspects of the appraisal and assessment process, including specific Wyoming applications. The term "in-service" means for the benefit of persons employed by the State of Wyoming or a county government.~~

~~(e)~~ (d) "Permanent certification" means designation as a property tax appraiser conferred by the Department upon the recommendation of the Administrator.

~~(f)~~ (e) "Temporary certification" means designation as a property tax appraiser conferred by the Department upon the recommendation of the Administrator for only the calendar year following the completion of requirements identified in Section 3(h).

~~(g) "Continuing education" means education hours required for those individuals holding "permanent certification".~~

~~(f)~~ "Wyoming Assessment Practices" refers to courses developed by the department whose curriculum shall include but not limited to:

~~(i) Statutes, case law, rules and regulations related to property assessment and taxation in Wyoming;~~

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(ii) Computer Assisted Mass Appraisal (CAMA);

(iii) Reporting requirements;

(iv) Appraisal

(g) “Property Tax Appraiser” means all employees of the Department or any County Assessor’s office, including county assessors, who make valuation judgments used as a basis for property taxation. are engaged in the supervision of appraisal programs and personnel who are involved in the following functions: making appraisals and preparing appraisal reports; inventorying properties in which judgments are made as to quality of construction, condition of improvements, and presence of obsolescence; grading and valuing land; collecting and analyzing income and operating expense information and calculating capitalization rates; conducting assessment ratio studies; testifying in hearings or defending appraisals before appeal boards; and analyzing statistical data used in evaluating the accuracy and uniformity of appraisals.

(h) “Valuation judgments” include the following functions: making appraisals and preparing appraisal reports; inventorying properties in which judgments are made as to quality of construction, condition of improvements, and presence of obsolescence; grading and valuing land; collecting and analyzing income and operating expense information and calculating capitalization rates; conducting assessment ratio studies; testifying in hearings or defending appraisals before appeal boards; and analyzing statistical data used in evaluating the accuracy and uniformity of appraisals.

(i) “Proctor” is as required by the organization providing the course.

(h)-(j) “IAAO” refers to the International Association of Assessing Officers.

Section 4. Education and Training Programs.

(a) The Administrator shall annually develop, in consultation with the President of the Wyoming Assessors Association, a list of accredited educational courses indicating those that qualify as core and a tentative schedule for the courses to be offered. The Department shall conduct or sponsor accredited ~~in-service~~ educational ~~courses~~ ~~programs from the list of approved courses. Courses fulfilling requirements for permanent certification pursuant to Section 6(a) of this Chapter~~ shall be selected by the Department and shall be held subject to cancellation due to unforeseen circumstances or inadequate registration.

(b) The Department shall develop a new assessor orientation training program or course work containing sufficient training information for newly elected or appointed assessors to perform the duties and functions of their offices as prescribed by law. Such course work is an accredited educational program.

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~~(e) The Administrator shall annually develop in consultation with the President of the Wyoming Assessors Association a tentative calendar schedule for the courses and programs to be offered. The tentative calendar shall include courses developed by educational institutions; regional, state, or national appraisal and assessing organizations; as well as programs developed by the Department or third party vendors specifically for application in Wyoming.~~

~~(d) County assessors who do not hold permanent certification status shall annually attend any course from those listed in Section 6(a). A passing grade must be earned. Successfully completed courses may not be repeated within a four year period for credit.~~

~~(e) Property Tax Appraisers, other than County Assessors, who do not hold permanent certification status, shall annually attend any course from the list of accredited education programs listed in Section 6(a). A passing grade must be earned. Persons who earn their temporary certification shall, in the year they become temporarily certified, attend and successfully complete a course from the list of accredited courses listed in Section 6 (a). If they fail to take and successfully complete a class from the list of accredited courses listed in Section 6 (a) they must take and successfully complete 2 courses from the list of accredited courses listed in Section 6(a) in the year following the year they became temporarily certified. If they fail to take and successfully complete the required 2 courses they will lose their temporary certification and can only become certified by meeting the requirements for permanent certification as defined in Section 5(b). Successfully completed courses may not be repeated within a four year period for credit.~~

(c) Persons seeking approval of courses not on the accredited ~~educational course program~~ list shall submit course information in writing to the Administrator, ~~Property Tax Division~~ for determination of approval "prior" to attendance. The request shall include the course name, instructor and credentials, course content or syllabus, number of hours of attendance, date(s) and location. Failure to provide proper documentation in advance shall deny the requestor approval of course work and hours. Cost of these courses shall be the responsibility of the employer. If approved, the Administrator will indicate if the course will be considered a core education course. Programs containing the following subject matter may be considered as accredited programs:

(i) Property Taxation;

(ii) Property Appraisal (Real, Personal, Tangible and Intangible);

(iii) Statistics;

(iv) Appraisal Modeling;

(v) Construction;

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(vi) Land use planning, development, zoning and valuation;
(vii) Real Estate Law;
(viii) Computer applications where the software is the foundation for an appraisal;

(ix) Mapping;
(x) Geographic Information Systems (GIS);
(+)(xi) Accounting/Auditing;
(ii) Economics
(xii)

~~(f)(d)~~ Property Tax Appraisers, who develop courses, revise courses or provide instruction shall be granted additional preparation hours in addition to the approved credit hours up to 2.0 times the credit hours. This shall apply to the first time the course is offered only. Subsequent offerings shall be limited to the approved credit hours unless course material has been substantially revised.

(e) The Department shall budget and be responsible for costs of providing training, such as tuition, books, facility and instructor expenses for ~~state- department~~ and county employees at Department sponsored accredited educational courses~~programs~~. All other expenses for attendees shall be the responsibility of each respective attendee. Any fees charged by professional organizations for instructional materials, testing or books, resulting from the need for a one time only re-take of a failed test or course, will be the responsibility of the Department. The cost for challenging a course by examination previously not taken shall be the responsibility of the attendee. The Department shall schedule re-testing days and provide any required proctors for Department sponsored accredited educational programs.

(f) The Department shall develop and update a course entitled "Wyoming Assessment Practices" to be offered at minimum every other year.

(g) Students must submit a certificate of completion to the department for courses completed that are not sponsored by the department.

Section 5. Certification.

(a) No individual shall perform the duties or exercise the authority of a property tax appraiser unless certified by the Department.

(b) Certified property tax appraisers shall receive a certificate signed by the Department Director and Division Administrator, indicating the designation and year of certification. Said certificate shall be available for display to the public.

(c) An individual may serve as county assessor without certification for one elected term, ~~or and~~ the remainder of any unexpired term to which appointed. Said

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~~individual must however fulfill the requirements for mandatory education described in Section 4(d) of this Chapter.~~

(d) Property Tax Appraisers must fulfill the requirements for Permanent Certification by the end of year six. This six year period begins when the individual's job duties include one or more of the valuation judgments described in Section 3(h).

(e) The County Assessor for county staff and the Administrator for department staff shall ensure that only certified property tax appraisers within their staff are performing the valuation judgments identified in Section 3(h).

~~(d)-(f) The Department shall refuse to confer a certificate to an individual who may otherwise qualify for certification under this Chapter, upon a written finding the individual has not demonstrated to the Department he or she is competent to perform the necessary work or administer the necessary operation of a Property Tax Appraiser County Assessor's Office. Such a finding shall be supported by documentation indicating a pattern of violation or disregard of the law, rules or orders relating to appraisal and assessment of property for tax purposes.~~

(g) Permanent Certification Requirements

~~(e)-(i)~~ Individuals may qualify for permanent certification as a Property Tax Appraiser by fulfilling one of the following requirements:

(A) Successful completion of IAAO Fundamentals of Real Property Appraisal, the Uniform Standards of Professional Appraisal Practice national (15) hour course and 90 hours of core education courses as identified in Section 6 with passing grade. the course requirements outlined in Section 6(a) of this Chapter;

~~(i) —~~

(B) Earning and maintaining a current status of professional designation from one of the appraisal organizations of the Appraisal Foundation or a General Real Estate Appraisers License issued by the Wyoming Real Estate Appraisers Board;

~~(ii) —~~

~~(iii)-(C)~~ Earning and maintaining IAAO "Accredited Member Status".

(ii) If a failed examination is challenged and successfully completed, the student shall receive full credit for the course hours. Any re-test failed shall require the student to retake the entire course over to get credit.

(iii) Successfully completed courses cannot be retaken within a four year period for credit, unless the Department has previously acknowledged that the subject matter changes significantly.

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(iv) Every person who holds permanent certification ~~under Section 5(b)~~ shall in a two (2) calendar year period preceding each assessment date complete a minimum of 28 hours of ~~continuing accredited~~ education ~~as defined in Section 3(a)~~. ~~Testing is not required.~~ The IAAO ~~Standards of Professional Practice & Ethics Update Course “Code of Ethics, Canons and Standards of Professional Conduct”~~ seven (7) hour update class is required to be taken once every four (4) years.

~~(iv)-(v)~~ (v) All ~~continuing education or~~ course work must be completed by December 31st in order to be granted certification for the following year.

(vi) Lapse of permanent certification

(A) ~~(If period of lapse is less than five (5) years) for failure to comply with Section 5(b) of this Chapter,~~ an individual may regain permanent certification after successful completion, with a passing grade, of twenty eight (28) hours of ~~accredited core~~ education ~~courses~~ programs.

~~(f)-(B)~~ (B) ~~Lapse of permanent certification (if 5 years or greater than 5 years) for failure to comply with Section 5(b) of this Chapter,~~ an individual may regain permanent certification after successful completion, with a passing grade of fifty-six (56) hours of ~~accredited core~~ education ~~courses~~ programs, in addition, to the Uniform Standards of Professional Appraisal Practice national fifteen (15) hour course. ~~The course(s) must include an exam.~~

(h) Temporary Certification Requirements

~~(g)-(i)~~ (i) The Department shall consider the following educational program as qualification for temporary certification:

(A) ~~In year one, Successfully complete Fundamentals of Real Property Appraisal. A passing grade must be earned.~~

~~(i)-(B)~~ (B) ~~In subsequent years complete 28 hours of accredited education coursework.~~

(ii) ~~In order to receive approval by the Administrator for accredited hours for which a test is given, a certificate indicating a passing grade must be submitted to the department pursuant to Section 7 of this Chapter. If a passing grade is not received, no credit shall be granted, however full credit may subsequently be allowed if an applicant retakes the test within one (1) year of course completion, and receives a passing grade. Any retest failed shall require the student to retake the entire course over. Successfully completed courses cannot be retaken within a four year period for credit, unless the Department has previously acknowledged that the subject matter changes significantly.~~

~~(ii)-(iii)~~ (iii) ~~All coursework must be completed by December 31st in order to be granted certification for the following year.~~

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~~(iii) Courses listed in Section 6(a)(iii) are acceptable for continuing education purposes. Where an examination is a part of the course, the exam shall be completed. If a failing grade is received, the student shall be granted one half of the credit hours for attendance, if the student holds a "Permanent Certification". Those with "Temporary Certification" will not receive education or attendance credit for failed classes. If a failed examination is challenged and successfully completed, the student shall receive full credit for the course hours. Any challenged retest failed shall require the student to retake the entire course over.~~

~~(iv) Courses taken for continuing education cannot be retaken within a four year period for credit, unless the core subject matter changes significantly, but the course title does not change.~~

~~(h) The Department shall consider the following educational program as qualification for temporary certification:~~

~~(i) Successfully complete Fundamentals of Real Property Appraisal. A passing grade must be earned;~~

~~(ii) In order to receive approval by the Administrator for accredited hours for which a test is given, a certificate indicating a passing grade must be submitted pursuant to Section 7 of this Chapter. If a passing grade is not received, no credit shall be granted, however full credit may subsequently be allowed if an applicant retakes the test within one (1) year of course completion, and receives a passing grade.~~

~~(iii) Persons may hold Temporary Property Tax Appraiser certification for only six (6) years without fulfilling the requirement for permanent certification.~~

~~(i) Lapse of permanent certification (if period of lapse is less than five (5) years) for failure to comply with Section 5(b) of this Chapter, an individual may regain permanent certification after successful completion, with a passing grade, of twenty eight (28) hours of accredited education programs. Lapse of permanent certification (if greater than 5 years) for failure to comply with Section 5(b) of this Chapter, an individual may regain permanent certification after successful completion, with a passing grade of fifty six (56) hours of accredited education programs, in addition, to the Uniform Standards of Professional Appraisal Practice national fifteen (15) hour course. The course(s) must include an exam.~~

~~(j) Certified property tax appraisers shall receive a certificate signed by the Department Director and Division Administrator, indicating the designation and year of certification. Said certificate shall be available for display to the public.~~

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~~(k) An individual may serve as county assessor without certification for one elected term, or the remainder of any unexpired term to which appointed. Said individual must however fulfill the requirements for mandatory education described in Section 4(d) of this Chapter.~~

~~(l) The Department shall refuse to confer a certificate to an individual who may otherwise qualify for certification under this Chapter, upon a written finding the individual has not demonstrated to the Department he or she is competent to perform the necessary work or administer the necessary operation of a Property Tax Appraiser. Such a finding shall be supported by documentation indicating a pattern of violation or disregard of the law, rules or orders relating to appraisal and assessment of property for tax purposes.~~

Section 6. Accredited Core Education Courses and Training Programs.

(a) IAAO Tested Courses and Tested Workshops;

(b) New Assessor Orientation (Mandatory for newly elected/appointed Assessors);

(c) Wyoming Assessment Practices;

(d) Appropriate core education courses may be approved by the Administrator.

~~Core subject areas are required for permanent certification.~~

~~(i) IAAO Fundamentals of Real Property, which shall be sponsored in each tax year, and;~~

~~(ii) Uniform Standards of Professional Appraisal Practice national fifteen (15) hour course, and;~~

~~(iii) Three of the Following IAAO core educational programs:~~

~~(A) Income Approach to Valuation;~~

~~(B) Appraisal of Land;~~

~~(C) Commercial and Industrial Modeling Concepts~~

~~(D) Fundamentals of Mass Appraisal;~~

~~(E) Applications of Mass Appraisal Fundamentals;~~

~~(F) Assessment Administration;~~

~~(G) Assessment of Personal Property;~~

~~(H) Principles/Techniques of Cadastral Mapping;~~

~~(I) Income Approach to Valuation II;~~

~~(J) Residential Modeling Concepts~~

~~(K) Property Tax Policy~~

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~~(L) — Multiple Regression Analysis~~

~~(M) — Cadastral Mapping Methods and Applications~~

~~(iv) — Appropriate substitute courses leading to permanent certification as may be approved by the Department, upon proper submission to the Administrator for approval as referenced in Section 4(f) of these rules.~~

~~(b) — No course, seminar, symposium or other education unit successfully completed may be retaken for credit within four (4) years from the date of original successful completion, except as noted in Section 5(b)(vi).~~

Section 7. Reporting.

(a) On or before the first Monday in November, the Administrator shall make available via the department CAMA web site a county specific listing of the course and program hours taken by county employees during the calendar year to the appropriate county assessor. The county assessor shall review and submit information regarding additions, errors, or discrepancies for that calendar year. The Administrator's corrected record of education shall be considered the formal record of education for purposes of property tax appraiser certification.

(b) On or before December 31st of each year, the Administrator shall make available via the department CAMA web site a county specific register of those persons who meet the educational requirements for the following tax year, and are eligible for certification, either temporary or permanent.

~~(c)~~ On or ~~after January before February~~ 1st of each year, the Administrator shall provide to the Director of Revenue a final register of those persons eligible for temporary and permanent certification. The Administrator will produce and distribute certification award documents to each qualified person.

~~(e)-(d) The department will provide a report to the state board of equalization listing those individuals achieving certification for the year no later than March 1. In addition, the department will provide a report to the appropriate board of county commissioners listing assessor/staff achieving certification for the year no later than March 1.~~

Section 8. Penalty.

(a) ~~Failure on the part of any person acting as a property tax appraiser, or the county assessor, to comply with the requirements of this Chapter, Excessive absences of any county assessor from required education programs~~ shall be communicated to the appropriate board of county commissioners and to the Governor pursuant to W.S. 18-3-201(b)(iv). ~~and 18-3-201(d).~~

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CHAPTER 14

PROPERTY TAX EXEMPTION STANDARDS

Section 1. Authority.

These rules are promulgated by the Department of Revenue (Department) under the authority of W.S. 39-11-102(b) and W.S. 16-3-103.

Section 2. Purpose

These rules are intended to supplement W.S. 39-11-105 by implementing standards to provide a reference to accepted definitions, procedures and criteria for the exemption from assessment of taxation of real and personal property.

Section 3. Considerations.

(a) For county assessed property, county assessors are responsible for making the initial determination of exemption and are the custodian of any application requesting exemption.

(i) For publicly owned property the assessor begins with the legal presumption the property is exempt.

(ii) For all other property, both real and personal, the exemption process begins with the legal presumption the property is assessable utilizing the established principle that taxation is the rule, and exemptions are not presumed.

(b) For Department assessed property, the Property Tax Division Administrator is responsible for making the initial determination of exemption and is the custodian of any application requesting exemption.

(i) For all property, both real and personal, the exemption process begins with the legal presumption the property is assessable utilizing the established principle that taxation is the rule, and exemptions are not presumed.

(c) Three considerations are typically involved in determining whether a property should be exempt:

(i) Ownership of the property;

(ii) Use of the property; and

(iii) Type of property.

(d) In accordance with W.S. 39-13-102(q)(i-v) exemption applications and information are confidential. Taxpayer return information shall include, but not be

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limited to all statements, reports summaries, and all other data and documents under audit or provided by the taxpayer in accordance with law.

Section 4. Burden of proof.

(a) Except for publicly-owned property, the burden is on the owner to prove the property meets exemption requirements. An affidavit or similar form is recommended to establish basic facts on ownership, use and type of property.

(b) For publicly owned property, the burden is on the taxing authority to establish taxability.

Section 5. Publicly owned property - W.S. 39-11-105(a)(i)-(vi).

(a) Publicly owned property is not, per se, exempt from taxation. The property is exempt only "when used primarily for a governmental purpose."

(b) The phrase "governmental purpose" cannot be precisely defined. The following considerations should be evaluated:

(i) If a service or function is obligatory (one the governmental entity must perform as a legal duty imposed by statute), the function is governmental and the associated property is exempt.

(ii) If a service is rendered gratuitously, supported by taxes, and for the public welfare or enjoyment generally, the property associated with providing such service is exempt.

(iii) Property owned by a governmental entity acting in its proprietary capacity is not exempt, (e.g. where a city enters the field of private competitive business for profit or into activities which may be and frequently are carried on through private enterprises).

(iv) Governmental property subject to the payment of service (user) fees is not exempt unless the specific use is provided by statute (e.g., public sewer and water services).

(A) Municipally-owned electric utility plants are proprietary functions supported by service fees. The function is not specifically recognized a exempt by statute.

(B) Limited property associated with a municipally-owned utility used to light streets, direct traffic and light city offices, is exempt as a service for the public welfare generally. Such property of the municipal plants is exempt.

(v) Vacant land is not recognized as a governmental purpose.

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(c) All real and personal property located within a development area under the direction of a municipality or downtown development authority is subject to ad valorem taxes unless otherwise exempt by specific provision of law. W.S. 15-9-222.

(d) Real or personal property within a project owned and leased by a municipality or county under authorization of the "Industrial Development Projects Act" (W.S. 15-1-701 et seq.) is either taxable or exempt pursuant to specific provisions in W.S. 15-1-708.

(e) Property owned or foreclosed by the State Loan and Investment Board may be exempt. Under W.S. 11-34-126, all real estate and other property owned by the State Loan and Investment Board is exempt. The State Loan and Investment Board is deemed the owner of any property from the date it is bid in at the foreclosure sale. No exemption is allowed however if redemption of the property is made, or the State Loan and Investment Board does not become "owner" before the fourth Monday in June of the current tax year.

(f) Property which, by reason of bond default or conveyance, comes under ownership of the State for purposes of mine reclamation is exempt.

(g) Rights of way or easements reserved to the federal government in patents which are dedicated to a public use, are exempt and not assessable against the owner in fee.

(h) Property of the American Red Cross, as an instrumentality of the federal government, is exempt if used primarily for governmental purposes.

Section 6. Indian property - W.S. 39-11-105(a)(i) and 39-11-103.

Real property owned by the United States in trust for the benefit of an individual Indian is exempt, whether the property is located on or off-reservation.

Section 7. Church property - W.S. 39-11-105(a)(vii).

(a) The word "exclusively" shall not be construed so narrowly and literally that it defeats the purpose of the exemption. Any use, however, other than one qualifying as religious worship under the statute must be de minimis (truly minor). As an example, the receipt of pay for temporary use of church property, when not needed or desired for religious services, is minor and will not affect the exemption.

(b) The real property exemption for religious worship, church schools and church parsonages, includes land around such institutions reasonably necessary for convenient ingress and egress, light, air, or appropriate ornament. However, lots adjacent to a church building which are not reasonably needed for the convenient enjoyment of the building as a church are not exempt.

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(c) Property used for religious worship together with other multiple uses including educational, commercial, social or charitable, is not exempt. (Kings Ranch, #85-4)

(d) A "church school" is one operated under the auspices or control of a local church, religious congregation, or denomination established to promote and promulgate the commonly held religious doctrines of the group, though it may also include basic academic subjects in its curriculum.

(e) The assessor may consider evidence of sales/use tax exemption as a qualified religious organization granted by the State pursuant to W.S. 39-15-105(a)(iv)(B).

Section 8. Fire engines, stations and fire extinguishing equipment - W.S. 39-11-105(a)(x).

(a) "Fire engines or stations" means dedicated equipment and land and improvements similar to that owned by governmental entities as fire engines or fire stations used exclusively to support firefighting activities. The fundamental basis for the exemption is the benefit conferred upon the public by privately-owned fire engines and fire stations, and the consequent relief, to some extent, of the burden upon the state to use its facilities and equipment to support firefighting activities.

(b) "Equipment used to extinguish fires" means equipment functionally capable of extinguishing fires, which is primarily and typically used for fire suppression. The phrase does not include equipment used to protect the health or safety of employees in fire situations nor equipment used to detect the presence of fire.

(c) A partial exemption for a fire station may only be given where a distinct, identifiable portion of the property is used for qualified purposes.

(d) Notification

(i) Annually, on or before October 15th, fire extinguishing exemption application forms and instructions shall be made available for review by taxpayers and/or agents at the Department's website located at <http://revenue.wyo.gov>.

(ii) Annually, on or before October 15th, the County Assessor shall provide standard exemption application forms and instructions to taxpayers who have made a request for said forms or has filed fire extinguishing exemption forms during the previous assessment year.

(e) Annually, on or before February 15th of each year, excluding holidays and weekends, all taxpayers and/or agents shall submit completed applications requesting

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property tax exemption for fire extinguishing property on the application form noted in this Section to the County Assessor for property assessed pursuant to W.S. 39-13-103(b) and the Department for property assessed pursuant to W.S. 39-13-102(m). Any application which is found to be incomplete or submitted after the deadline shall be denied in its entirety

(f) The County Assessor or the Department of Revenue may contract with independent appraisers to determine the value of the fire extinguishing property. In such instances, the appraisals provided shall, at a minimum, conform to the appraisal methods prescribed and interpreted by Department Rules and Uniform Standards of Professional Appraisal Practice as defined in Chapter 9. The appraisal shall be sufficiently detailed to identify the asset investments under application and its contributing value, as part of the value of the whole.

(g) Decision and Appeal

(i) Annually, on or before May 1st or as soon as possible thereafter, the County Assessor shall notify the applicants of the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall file written objection(s) to the County Assessor's final administrative decision with the county board of equalization within thirty (30) days after the date or postmark date of the notification, whichever is later.

(ii) Annually, on or before the date set for certification of value of the respective department-assessed property, the Department of Revenue shall by letter to the applicants, certify the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall have thirty (30) days from the date of the final department appraisal notice of Fair Market Value and assessed value within which to file written objection(s) thereto with the State Board of Equalization.

Section 9. Property of a museum or hospital district - W.S. 39-11-105(a)(xvi).

Not all property of a museum or hospital district is exempt. A museum district may only exempt property owned for museum purposes (W.S. 18-10-203). A hospital district may only exempt property owned for hospital purposes (W.S. 35-2-403).

Section 10. Pollution control property - W.S. 39-11-105(a)(xx) and 35-11-1103.

(a) The determination of exempt value shall be made by reasonably calculating the assessed value of the portion of the property necessary for and devoted to elimination, control or prevention of air, water and land pollution. No portion of the assessed value of property which serves other beneficial purposes and use, or which has value as the specific source of marketable byproducts, shall be exempt.

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(i) The exemption calculation shall be based on information or application filed by the taxpayer or otherwise available to the assessing officer. The information shall clearly show components, use, installed cost and date of installation, including requested adjustments for functional or economic obsolescence. The assessor shall not rely upon mass asset groupings found on appraisal summary sheets without additional information detailing the components and the value for tax purposes for comparison with the value claimed exempt.

(b) "Property necessary for and devoted to elimination, control or prevention of air, water and land pollution" or "pollution control property" means facilities, installations, capitalized machinery or equipment which are primarily used for the elimination, control or prevention of air, water or land pollution consistent with the following:

(i) "Air pollution" means activities defined in W.S. 35-11-103(b)(ii).

(ii) "Water pollution" means activities defined in W.S. 35-11-103(c)(i).

(iii) "Land pollution" means contamination of soil or land by the presence of foreign substances in such quantities as may be injurious to human health or welfare, animal or plant life, or otherwise injurious to the beneficial use of the land. This term does not include routine mining operations which affect the contour, grade, presence of vegetation, presence of soil erosion, or presence of wildlife habitat and resources, or such other disturbances requiring reclamation or land restoration other than activities which introduce foreign contaminants in the soil, unless such activity otherwise qualifies as air pollution or water pollution.

(c) "Other beneficial purposes" means uses of property which are of value to the taxpayer such as:

(i) Property which functions as an essential item in the commercial or industrial process or facility;

(ii) Property used for non-pollution control purposes;

(iii) Property required to meet worker safety or convenience requirements or private insurance requirements; or

(iv) Property which affords direct cost savings to the taxpayer in material or other cost categories.

(d) "Marketable by-products" means materials collected by the equipment or property at issue which are either directly marketed or recycled within the operation or process for eventual sale or use for value.

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(e) If only a portion of the property is to be exempt, the calculation shall result in a reasonable apportioning of the value of the property between pollution control and non-pollution control purposes, (e.g., other beneficial purposes or the recovery of marketable by-products), if any.

(f) Notification

(i) Annually, on or before October 15th, pollution control exemption application forms and instructions shall be made available for review by taxpayers and/or agents at the Department's website located at <http://revenue.wyo.gov>.

(ii) Annually, on or before October 15th, the County Assessor shall provide standard exemption application forms and instructions to taxpayers who have made a request for said forms or has filed pollution exemption forms during the previous assessment year.

(g) Annually, on or before February 15th of each year, excluding holidays and weekends, all taxpayers and/or agents shall submit completed applications requesting property tax exemption for pollution control property on the application form noted in this section to the County Assessor for property assessed pursuant to W.S. 39-13-103(b) and the Department for property assessed pursuant to W.S. 39-13-102(m). Any application which is found to be incomplete or submitted after the deadline shall be denied in its entirety.

(h) The County Assessor or the Department of Revenue may contract with independent appraisers to determine the value of the pollution control property. In such instances, the appraisals provided shall, at a minimum, conform to the appraisal methods prescribed and interpreted by Department Rules and Uniform Standards of Professional Appraisal Practice as defined in Chapter 9. The appraisal shall be sufficiently detailed to identify the asset investments under application and its contributing value, as part of the value of the whole.

(i) Decision and Appeal

(i) Annually, on or before May 1st or as soon as possible thereafter, the County Assessor shall notify the applicants of the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall file written objection(s) to the County Assessor's final administrative decision with the county board of equalization within thirty (30) days after the date or postmark date of the notification, whichever is later.

(ii) Annually, on or before the date set for certification of value of the respective department-assessed property, the Department of Revenue shall by letter to the applicants, certify the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall have thirty (30) days from the date of the final department

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appraisal notice of Fair Market Value and assessed value within which to file written objection(s) thereto with the State Board of Equalization.

Section 11. Intangibles W.S. 39-11-105(a)(xxix) and W.S. 39-11-105(b)

(a) Criteria for reporting of Intangible Exemptions.

(i) Requests for exemption shall be timely filed with the exemption clearly defined and supplemented by all supporting documentation as defined within these rules, on forms provided by the appropriate assessing jurisdiction. Taxpayer(s) shall not self exempt property or property considerations from their report forms. If such a condition is found, the exemption shall be denied in its entirety to the requesting taxpayer(s).

(ii) The intangible must be capable of being separately identified on the taxpayer's company:

(A) Books and records;

(B) Reports filed with any municipal, county, state or federal agency;

(C) Federal income tax returns; or

(D) Other documentation as required by the assessing jurisdiction.

(b) If an intangible is requested and it is part of property or property considerations that consist of both tangible and intangible assets, the taxpayer shall provide a documented breakout of the amounts requested via taxpayer balance sheets, historical or original cost worksheets by vintage year. Claims utilizing income calculations shall provide the itemized gross revenues, operating expenses, depreciation and amortization by asset account, all other forms of taxes by asset category and any other deductions to Net Operating Income.

(c) Documents in support of requested intangibles shall include, but not be limited to, the following:

(i) A third party fair market value appraisal for the requested exempt intangible assets;

(ii) Copies of audited company books and records, jurisdictional regulatory reports, current federal income tax returns specifically identifying the values or assets being claimed;

(iii) Independent narrative appraisals and/or valuation engineering studies defining all requested intangible assets by: vintage year by property or property consideration, actual use, economic life's, depreciation trends, net book values and appraised fair market value can meet the definition of as noted in the beginning of this statement.

(iv) For newly merged or acquired property or property considerations, documentation for requested intangible items must be separately listed and identified within corporate records of minutes.

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(d) For purposes of these rules, computer software must be separately identifiable as to which portion is the "Standard Prewritten Programs" and which portion is "Customized Software Programs".

(i) Standard Prewritten Programs shall refer to "Canned or off-the-shelf" software or software not originally developed and produced for an individual user. These programs are tangible personal property and not eligible for exemption from property taxation;

(ii) Customized Software Programs shall refer to software having the following characteristics: specifically developed for a taxpayer's sole proprietary use or an original one-of-a-kind nature. These programs are intangible personal property and eligible for consideration for exemption when documented by the taxpayer.

(e) Taxpayer requests for intangible exemptions on property or property considerations must be submitted on an annual basis to the appropriate assessing jurisdiction. Prior year exemption requests and granted exemptions shall not carry forward from year to year. It is the taxpayer's responsibility to make the exemption request on an annual report to the appropriate assessing jurisdiction.

(f) The assessing jurisdiction shall as part of the final fair market value appraisal provide to the taxpayer the following detail:

- (i) Itemized listing for all requested intangibles;
- (ii) Statement of whether the exemption was granted or denied;
- (iii) Explanation for all denied exemption items;
- (iv) Calculations on determination for all granted exemption amounts;
- (v) Appraisal methods utilized to determine exemption amounts;
- (vi) Appeal rights, if separate from the final fair market value of the property.

(g) Annual Report Audit Rights and Responsibilities: The appropriate assessing jurisdiction reserves the right to engage the State of Wyoming, Department of Audit or a third party designee to conduct ad valorem tax audits on reporting taxpayer's.

Section 12. Schools, orphan asylums and hospitals - W.S. 39-11-105(a)(xxv).

(a) The fundamental basis for this exemption is the benefit conferred upon the public by schools, orphan asylums and hospitals, and the consequent relief, to some extent, of the burden upon the state to educate, care and advance the interests of its citizens. Such institutions thus confer a benefit upon the general citizenry of the state and render an essential service for which they are relieved of certain burdens of taxation.

(b) "Schools" means property owned by private educational institutions and used primarily to provide "traditional education" equivalent to public education.

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"Traditional education" means systematic instruction in useful branches of learning afforded through methods common to public schools and educational institutions, directed at an indefinite class of persons, which benefits the general public indirectly because it is of a nature ordinarily provided by the government at taxpayer expense.

(A) "Traditional" may include courses offering specialized instruction such as those centered around teaching outdoor leadership and practical field experience to professionals in the field of outdoor education.

(ii) "Traditional" does not include continuing education or education for the professional advancement of an organization's members.

(iii) An entity is rebuttably presumed to be a "school" if it possesses a license and teacher certification from the Wyoming Department of Education, or evidence of courses for which college or university credit is given.

(c) "Hospital" means property used to provide either traditional hospital or nursing home care, promote health care, or provide health related assistance to the general public. In general the institution shall have policies which reflect recognized standards adopted by public health care institutions therefore lessening governmental responsibility in this area.

(i) The institution shall provide health related assistance to the general public without regard to race, religion or gender.

(ii) Indigent care shall be afforded through admission to the institution based on the clinical judgment of the physician, not upon the patient's financial ability or inability to pay.

(d) The property of schools, orphan asylums and hospitals shall not be used for private profit.

(e) If a school, orphan asylum or hospital confers benefit only upon the citizens of another state, its property is not exempt.

Section 13. Secret, benevolent and charitable societies and associations - W.S. 39-11 105(a)(xxvi).

(a) The following definitions apply:

(i) "Secret" means fraternal or lodge-type societies or associations which are not necessarily secret or ritualistic.

(ii) "Charity" is a gift for the benefit of an indefinite number of persons in Wyoming, by bringing their minds or hearts under the influence of education or religion,

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by relieving their bodies from disease, suffering or constraint, by assisting them to establish themselves in life, or by erecting or maintaining public buildings or works. The fundamental basis for this exemption is the benefit conferred upon the public, and the consequent relief, to some extent, of the burden upon the state to care and advance the interests of its citizens.

(iii) "Benevolent" includes purposes which may be deemed charitable, as well as acts dictated by kindness, good will, or a disposition to do good, the objects of which have no relation to the promotion of education, learning, or religion, the relief of the needy, the sick, or the afflicted, the support of public works, or the relief of public burdens. The term has wider significance than "charitable" as a legal tenet but shall be limited to purposes or activities of sufficient public importance and wide-spread social value.

(iv) The word "and" in the phrase "secret, benevolent and charitable society or association" shall be understood in the disjunctive, not conjunctive.

(b) To be exempt under this section, the institution shall fulfill the above definitions, and operate primarily for non-commercial purposes without any element of private profit.

(c) In making a determination of use for private profit, one distinctive feature is whether the entity has capital stock and a provision for dividends or profits, or whether it derives funds mainly from public and private charity, holding them in trust to be expended only for charitable and benevolent purposes.

(i) An institution may charge fees or engage in business, but no gain or value may be distributed to members or stockholders. The officers and members may have no pecuniary interest in the property from which they gain. Payments made to officers, employees, contractors and suppliers shall be reasonable and not an indirect means of conferring gain or profit to private persons.

(ii) Revenue from fees paid by recipients of the charity or services shall be devoted only to the maintenance of the institution or its purposes.

(iii) A grant of sales/use tax exempt status by the State as a qualified charitable organization, or the grant of income tax exempt status by the Internal Revenue Service as a "501(c)(3)" or similar organization, is not binding in making the determination of whether the property of the entity is exempt from ad valorem taxation. Assessors may consider compliance with and operation under the tax exempt provisions of the Internal Revenue Service Code or an exemption from sale and use tax as a rebuttable presumption the institution's operations are reasonable and not for profit.

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(iv) The matter of private profit concerns the way property is used, not solely the ownership thereof. The entire use of the property by all concerned shall be considered.

(d) The property at issue shall not be used primarily for a "commercial purpose", that is use of property or any portion thereof to provide services, merchandise, area or activities for a charge, which are generally obtainable from any commercial enterprise and are collateral to the purpose of the secret, benevolent and charitable society or association.

(i) Commercial purpose includes, without limitation, the operation for charge of bars, restaurants, dancing areas, merchandise shops, housing, theaters and bowling alleys.

(ii) The use of property for commercial purpose is controlling, not whether or not a profit is actually made nor how the revenue is ultimately used. If an activity is considered "commercial", it does not become "non-commercial" merely because the revenue derived from the commercial use is devoted to charitable or authorized purposes.

(e) If a secret, benevolent and charitable society or association confers a benefit only upon the citizens of another state, its property is not exempt.

Section 14. Senior citizens' centers - W.S. 39-11-105(a)(xxvi).

(a) "Senior citizen centers" include property used to provide transportation, information, and recreation facilities and other services which enable senior citizens to maintain their independence and avoid institutionalization.

(i) Senior citizen meal facilities or senior citizen housing complexes which are part of a senior citizen center are exempt. For the exemption, nonprofit organizations providing meals or services to senior citizens shall possess certification of such activity by the division of public assistance and social services of the department of health and social services (or its successor).

(ii) Housing made available to senior citizens which is not part of a senior citizens' center (such as a retirement home) is exempt only if the entity owning the property meets the criteria of a "charitable and benevolent society or association" in Section 11 of this Chapter. A retirement home is taxable if the residents provide their own furnishings and are charged for the cost of operating the home, including extra amenities enjoyed by the residents. Such a retirement home constitutes a commercial enterprise, even if operated on a non-profit basis with reduced charges.

(b) In order to be exempt under this section, the senior citizen center shall be operated without any element of private profit and primarily for non-commercial purposes. The definitions and restrictions in Section 11(c)-(d) of this Chapter shall apply.

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(c) If a senior citizens' center confers a benefit only upon the citizens of another state, its property is not exempt.

Section 15. Nonprofit corporations - W.S. 39-11-105(a)(xxxv).

(a) In order to be exempt under this section, the corporation shall demonstrate:

(i) income tax exempt status authorized by the Internal Revenue Service as a "501(c)(3)" corporation; and

(ii) the property is owned and used by the corporation to serve persons with disabilities, mental illness, substance abuse problems, or family violence problems; and

(iii) the extent to which the property is operated without any element of private profit, and primarily for non-commercial purposes as limited and defined by Section 11(c)-11(d) of this Chapter.

(b) Housing made available to persons with disabilities, mental illness, substance abuse or family violence problems is not exempt if the residents provide their own furnishings, and are charged for the cost of operating the housing project, which constitutes a commercial enterprise, even if operated on a non-profit basis with reduced charges.

Section 16. Veteran's Exemption W.S. 39-11-105(a)(xxiv) and W.S. 39-13-105

(a) Definitions

(i) For purposes of this Chapter, "principal residence" means the residential real property or manufactured home occupied by the veteran or qualifying surviving spouse as his or her sole or primary home.

(ii) For purposes of this Chapter, "military service" means active federal service in a branch of the armed forces of the United States, including active federal service in the National Guard or Reserve units associated with a branch of the armed forces of the United States. The term "military service" as used herein does not include "active state service" as defined in W.S. 19-7-101(a)(v), as amended, and is expressly limited to federal service under Title 10, United States code.

(iii) For purposes of this Chapter, "tax year" means the calendar year, commencing with the real property assessment date of January 1st, and ending upon December 31st. The "tax year" for motor vehicle and mobile homes shall coincide with the current enrollment period for the exemption and shall conclude on the fourth Monday in May.

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(iv) For purposes of this Chapter, “other authorized service or campaign medal” shall be defined as campaign or service medal(s) authorized by the Department of Defense for service in armed conflicts in a foreign country, and issued by the Department of Defense to the veteran and enumerated on the discharge documents.

(b) Eligible veterans

(i) To be eligible to claim the exemption, any veteran deemed to meet one or more of the qualifications of W.S. 39-13-105(a) must also be a bona fide resident of the State of Wyoming for at least three (3) consecutive years immediately preceding the time of claiming the exemption.

(A) A recently discharged veteran with a home residency of Wyoming, with no break in residency, has met this requirement.

(B) A veteran previously enrolled in the veterans exemption program who moves to another state must wait three (3) years after returning to Wyoming before qualifying for the exemption.

(ii) Annually, the Property Tax Division shall publish a complete list of qualifying expeditionary medals which will be posted on the Department’s website located at <http://revenue.wyo.gov>.

(c) Proof of Eligibility – Veteran

(i) An applicant for veteran’s exemption must present the County Assessor written documentation of his honorable separation, release or discharge from military service. Acceptable forms of documentation include, but are not limited to: WD AGO Form 53-55, NAVMC 78-PD, NAVPERS-533, DD Form 214, DD Form 214N, DD Form 214MC.

(A) The Assessor shall retain a copy of each veteran’s qualifying separation document on file.

(d) Eligibility – Surviving Spouse

(i) The unmarried surviving spouse of any person who died while serving honorably during the war, conflict or period described in W.S.39-13-105(a) is entitled to a veterans exemption if:

(A) The surviving spouse is a bona fide resident of Wyoming for at least three (3) years at the time of claiming exemption.

(B) The surviving spouse previously enrolled in the veterans’ exemption program who moves to another state must wait three (3) years after returning to Wyoming before qualifying for exemption.

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(C) Should the surviving spouse remarry, the spouse does not qualify for the veteran exemption even if the marriage ends in divorce or becomes widowed,

(ii) In order for property subject to a trust created by, or for the benefit of a surviving spouse to qualify for application of the veterans exemption, the surviving spouse must not have remarried and be the sole current beneficiary of the trust.

(e) Limitations

(i) A qualified veteran shall be limited to an annual exemption of tax based upon the assessed value limitation specified by Wyoming Statute 39-13-105(b), notwithstanding that the veteran may have honorably served in more than one war, conflict or period designated in Wyoming Statute 39-13-105.

(ii) The exemption for real property shall only apply to the principal residence of the veteran or qualifying surviving spouse. The assessor must use prudent judgment to evaluate the factors in (A) and (B) below for purposes of determination if a property qualifies as the principal residence of the veteran or qualifying surviving spouse wishing to claim the exemption.

(A) Factors that the assessor may consider that could indicate if a residential property or manufactured home is the principal residence of the veteran or surviving spouse:

(I) The property is occupied by the qualifying veteran or surviving spouse for more than six (6) months of each year during the last three (3) consecutive years immediately prior to the time of claiming the exemption required to meet the Wyoming residency requirement, and continues to be occupied by the veteran or qualifying surviving spouse for more than six (6) months in each tax year for which the exemption is claimed;

(II) The property is the location listed on public records as the veteran's or qualifying surviving spouse's legal residence for voter registration purposes;

(III) The property is identified as the legal address for the veteran's or qualifying surviving spouse's federal income tax returns;

(IV) The property is deemed to be the principal residence of the veteran or qualifying surviving spouse by other agencies of Wyoming government or its political subdivisions;

(B) Factors that the assessor may consider that could indicate that a property is not the principal residence of the veteran or qualifying surviving spouse may include:

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(I) Absence of the veteran or qualifying surviving spouse from the property for periods of longer than six (6) months in the year for which the exemption is claimed, when the absences are not due to the veteran or qualifying surviving spouse attending an institution of higher learning; being hospitalized; or being confined to nursing home, hospice, or other similar care facility;

(II) The veteran or qualifying surviving spouse claiming another property as his or her principal, primary, or sole residence for other state, local, or federal taxation or voting purposes;

(III) Clear physical evidence that the property is something other than the principal residence of the veteran or qualifying surviving spouse.

(iii) For purposes of this Chapter, an honorably discharged veteran or qualifying surviving spouse who has qualified for the veteran's exemption and subsequently enlists or returns to the military service of the United States may continue to claim Wyoming as his or her principal state of residence for purposes of claiming the exemption so long as he or she declares Wyoming and no other state to be his or her legal state of residency.

(iv) The exemption may be claimed by the veteran or qualifying surviving spouse in only one (1) county in Wyoming in any given tax year.

(v) Ownership limitation, as set forth by Wyoming Statute 39-13-105(c)(ii) applies to both real property and personal property, including motor vehicles.

(A) If a husband and wife are both qualifying veterans under these Rules, and own property as specified in this subsection, each spouse may claim up to the maximum assessed value exemption as permitted by Statute. If the assessed value of property owned by the married qualifying veteran applicants in joint tenancy or tenancy in common is less than the aggregated assessed value for which they are entitled to exemption, the assessor shall use his or her discretion to equally apportion the exemption between the two applicants.

(B) If two or more qualified veterans own the same principal residential property, the exemption is granted since no party receives any unearned benefits. Each party may claim up to the maximum assessed value exemption as permitted by the Statute. If the assessed value of property owned by the qualifying veteran applicants in joint tenancy or tenancy in common is less than the aggregated assessed value for which they are entitled to exemption, the assessor shall use his or her discretion to equally apportion the exemption between all the applicants.

(C) As long as the veteran or veteran's spouse is listed as an owner and the property is the principal residence, the exemption shall be granted.

(f) Application Form

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(i) Pursuant to Wyoming Statute 39-11-102(c)(xiv), the Department shall prescribe the form for the veterans' exemption application. The form shall require submission of information by the claimant deemed lawfully necessary to determine the claimant's eligibility for the exemption, to adequately establish the identity of claimant for purposes of the exemption, and to ascertain that the claimant is only claiming the exemption in one county in any given tax year.

(A) On the initial claim form, the applicant must sign exemption claim form in the presence of the County Assessor or authorized employee.

(B) The County Assessor can accept a notarized signed claim form in lieu of a signed form in the presence of the County Assessor or their authorized employee.

(ii) Annual application, after the initial application, must be submitted by the statutory deadline specified in W.S. 39-13-105(c) and can be made via telephone or other communication method. Exemption will not be allowed during any tax year in which the claimant fails to file in a timely manner.

(iii) The County Assessor is required to log the date, time and method in which an applicant files.

(g) Reporting Requirements

(i) The County Assessor shall enter all veteran exemption claims into the Veterans Exemption Database (VED) provided by the Department.

(ii) The Department, Property Tax Division, shall on or before June 1st each year, provide the County Assessor and County Treasurer a form requesting the current year's veterans' exemptions as applied for within the county. The form shall provide for separate reporting of exemptions granted under Wyoming Statute 39-13-105 and Wyoming Statute 31-3-101(b)(vii).

(iii) The report shall be returned to the Administrator, Property Tax Division, by September 1st each year as required by Wyoming Statute 39-13-102(k).

Section 17. Claimed exemptions on multiple authority.

(a) Taxpayers may claim exemption on the basis of one or more statutory provisions. Careful analysis of the ownership and use of the property is required.

(i) For example, museum property may be exempt because: it is a public municipal museum operated for a governmental purpose under W.S. 15-1-103 and W.S.

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39-11-105(a)(v); it is a public county museum operated for a governmental purpose under W.S. 18-10-101 and W.S. 39-11-105(a)(iii); it is property of a special museum district under W.S. 18-10-201 and W.S. 39-11-105(a)(xvi); or it is owned by a non-profit entity qualifying as a charitable or benevolent association and operated on a noncommercial basis under W.S. 39-11-105(a)(xxvi). Under this example only one exemption is applicable based on ownership and operation.

(ii) (Under appropriate circumstances more than one exemption provision may apply, (e.g. an entity may be both a school and a nonprofit charitable and benevolent entity owning property for a non-commercial use).

(iii) Different criteria are applicable and each shall be separately and carefully analyzed in making an exemption determination.

Section 18. Lease or rental of property.

(a) The occasional rental of property by an exempt entity, if such rental does not interfere with the use of the property consistent with the exemption standards, will not affect the exemption.

(b) With the exception of (c) and (d) below, the rental of property to an exempt entity (including rental by an exempt entity to an exempt entity) for any gain or profit shall render the property taxable. The commercial use of the property by the owner is part of its total use, and therefore an exemption is not available.

(c) The leasing of publicly owned property is not, of itself, a use for nongovernmental purposes if the primary use is reasonably necessary to the efficient provision of a governmental function or service. The fact a governmental entity accomplishes such function through a lessee will not affect the exemption. If, however, governmental property is used by a lessee for non-governmental purposes, the property is not exempt.

(d) Leased property owned by the State Loan and Investment Board through foreclosure is exempt.

(e) If a lease arrangement results in taxability of property owned by an exempt entity, the exempt entity owes the tax. The lessee shall not be assessed as leaseholds are not subject to taxation.

Section 19. Partial exemption.

(a) A partial exemption may only be allowed where a separately identifiable portion of the property is used for qualified purposes (either primarily or exclusively, based on the legal requirement). Where a partial exemption is allowed, the non-exempt portion shall be taxed according to its proportionate value, if any.

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(b) A partial exemption may not be granted based upon percentage use of shared or common space or facilities. If a shared use is present a decision must be made as to whether the shared use is of such nature or duration as to invalidate the exemption.

Section 20. Undeveloped, unconstructed or unused property.

(a) For exemptions requiring a specific use to qualify, neither ownership of the property nor stated objectives of the entity's organization is sufficient. To justify an exemption, actual and immediate use of the property consistent with the applicable exemption standard is required. The mere holding of the property by an entity for future or prospective use is not sufficient.

(b) An exemption may be granted once construction or use commences consistent with the exempt purpose.

Section 21. Conveyances.

(a) Any property, title to which is transferred of record to an exempt entity prior to January 1 of any given year, is not subject to taxation for that year provided an exemption otherwise applies.

(b) With the exception of (c) below, if title to property is transferred of record after January 1, the property is taxable for the entire year.

(c) Property of the State Loan and Investment Board is exempt if it becomes "owner" of the property pursuant to W.S. 11-34-126 before the fourth Monday in June.

(d) There is no authority for the county to pro rate taxes on real property. The proration of taxes is a private, contractual matter between the parties to a conveyance. Absent a contractual arrangement, the provisions of W.S. 39-13-103(c) and 39-13-107(b)(i)(E) apply.

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CHAPTER 14

PROPERTY TAX EXEMPTION STANDARDS

Section 1. Authority.

~~(a) — These standards provide a reference to accepted definitions, procedures and criteria for the exemption from assessment and taxation of real and personal property.~~

~~(b) — All questions of exemption cannot be addressed and answered by rule. These standards are to serve, together with applicable law and Departmental guidelines, as a ready reference to commonly encountered problems. The general law governing exemptions is found in Article 15-12, Wyoming Constitution and W.S. 39-11-105.~~

~~(c)~~ These rules are promulgated by the Department of Revenue (Department) under the authority of W.S. 39-11-102(b) and W.S. 16-3-103.

~~Section 2.~~ Purpose

~~These rules are intended to supplement W.S. 39-11-105 by implementing standards to provide a reference to accepted definitions, procedures and criteria for the exemption from assessment of taxation of real and personal property.~~

~~Section 2.~~Section 3. Considerations.

(a) For county assessed property, county assessors are responsible for making the initial determination of exemption and are the custodian of any application requesting exemption.

(i) For publicly owned property the assessor begins with the legal presumption the property is exempt.

(ii) For all other property, both real and personal, the exemption process begins with the legal presumption the property is assessable utilizing the established principle that taxation is the rule, and exemptions are not presumed. ~~Specific exemptions are provided by statute and constitution. In applying specific exemptions, the statutes and constitution shall be strictly construed. This does not mean, however, any possible doubt must be resolved to approve the exemption. Only if the doubt is well founded should the exemption be denied.~~

(b) For Department ~~of Revenue~~ assessed property, the Property Tax Division Administrator is responsible for making the initial determination of exemption and is the custodian of any application requesting exemption.

(i) For all property, both real and personal, the exemption process begins with the legal presumption the property is assessable utilizing the established principle that

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taxation is the rule, and exemptions are not presumed. ~~Specific exemptions are provided by statute and constitution. In applying specific exemptions, the statutes and constitution are to be strictly construed. This does not mean, however, any possible doubt must be resolved to approve the exemption. Only if the doubt is well founded should the exemption be denied.~~

(c) Three considerations are typically involved in determining whether a property should be exempt:

(i) Ownership of the property;

(ii) Use of the property; and ~~for~~

(iii) Type of property.

~~(iii)-(d)~~ In accordance with W.S. 39-13-102(q)(i-v) exemption applications and information are confidential. Taxpayer return information shall include, but not be limited to all statements, reports summaries, and all other data and documents under audit or provided by the taxpayer in accordance with law.

~~Section 3-~~Section 4. Burden of proof.

(a) Except for publicly-owned property, the burden is on the owner to prove the property meets exemption requirements. An affidavit or similar form is recommended to establish basic facts on ownership, use and type of property.

(b) For publicly owned property, the burden is on the taxing authority to establish taxability.

~~Section 4-~~Section 5. Publicly owned property - W.S. 39-11-105(a)(i)-(vi).

(a) Publicly owned property is not, per se, exempt from taxation. The property is exempt only "when used primarily for a governmental purpose."

(b) The phrase "governmental purpose" cannot be precisely defined. The following considerations should be evaluated:

(i) If a service or function is obligatory (one the governmental entity must perform as a legal duty imposed by statute), the function is governmental and the associated property is exempt.

(ii) If a service is rendered gratuitously, supported by taxes, and for the public welfare or enjoyment generally, the property associated with providing such service is exempt.

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~~(iii) W.S. 39-11-105(a)(v) specifically identifies certain municipal property which is exempt (used primarily for a governmental purpose).~~

~~(iv) W.S. 39-11-105(a)(i)(A)-(E) and (ii)(A)-(D) identify specific uses of federal and state property which are not exempt (not used for governmental purposes).~~

~~(v)(iii)~~ Property owned by a governmental entity acting in its proprietary capacity is not exempt, (e.g. where a city enters the field of private competitive business for profit or into activities which may be and frequently are carried on through private enterprises).

~~(vi)(iv)~~ Governmental property subject to the payment of service (user) fees is not exempt unless the specific use is provided by statute (e.g., public sewer and water services).

(A) Municipally-owned electric utility plants are proprietary functions supported by service fees. The function is not specifically recognized a exempt by statute.

(B) Limited property associated with a municipally-owned utility used to light streets, direct traffic and light city offices, is exempt as a service for the public welfare generally. Such property of the municipal plants is exempt.

~~(B)(v)~~ Vacant land is not recognized as a governmental purpose.

(c) All real and personal property located within a development area under the direction of a municipality or downtown development authority is subject to ad valorem taxes unless otherwise exempt by specific provision of law. W.S. 15-9-222.

(d) Real or personal property within a project owned and leased by a municipality or county under authorization of the "Industrial Development Projects Act" (W.S. 15-1-701 et seq.) is either taxable or exempt pursuant to specific provisions in W.S. 15-1-708.

(e) Property owned or foreclosed by the State Loan and Investment Board may be exempt. Under W.S. 11-34-126, all real estate and other property owned by the State Loan and Investment Board is exempt. The State Loan and Investment Board is deemed the owner of any property from the date it is bid in at the foreclosure sale. No exemption is allowed however if redemption of the property is made, or the State Loan and Investment Board does not become "owner" before the fourth Monday in June of the current tax year.

(f) Property which, by reason of bond default or conveyance, comes under ownership of the State for purposes of mine reclamation is exempt.

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(g) Rights of way or easements reserved to the federal government in patents which are dedicated to a public use, are exempt and not assessable against the owner in fee.

(h) Property of the American Red Cross, as an instrumentality of the federal government, is exempt if used primarily for governmental purposes.

~~Section 5.~~Section 6. Indian property - W.S. 39-11-105(a)(i) and 39-11-103.

Real property owned by the United States in trust for the benefit of an individual Indian is exempt, whether the property is located on or off-reservation.

~~Section 6.~~Section 7. Church property - W.S. 39-11-105(a)(vii).

(a) The word "exclusively" shall not be construed so narrowly and literally that it defeats the purpose of the exemption. Any use, however, other than one qualifying as religious worship under the statute must be de minimis (truly minor). As an example, the receipt of pay for temporary use of church property, when not needed or desired for religious services, is minor and will not affect the exemption.

(b) The real property exemption for religious worship, church schools and church parsonages, includes land around such institutions reasonably necessary for convenient ingress and egress, light, air, or appropriate ornament. However, lots adjacent to a church building which are not reasonably needed for the convenient enjoyment of the building as a church are not exempt.

(c) Property used for religious worship together with other multiple uses including educational, commercial, social or charitable, is not exempt. (Kings Ranch, #85-4)

(d) A "church school" is one operated under the auspices or control of a local church, religious congregation, or denomination established to promote and promulgate the commonly held religious doctrines of the group, though it may also include basic academic subjects in its curriculum.

(e) The assessor may consider evidence of sales/use tax exemption as a qualified religious organization granted by the State pursuant to W.S. 39-15-105(a)(iv)(B).

~~Section 7.~~Section 8. Fire engines, stations and fire extinguishing equipment - W.S. 39-11- 105(a)(x).

(a) "Fire engines or stations"—means dedicated equipment and land and improvements similar to that owned by governmental entities as fire engines or fire stations used exclusively to support ~~fire fighting~~firefighting activities. The fundamental

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basis for the exemption is the benefit conferred upon the public by privately-owned fire engines and fire stations, and the consequent relief, to some extent, of the burden upon the state to use its facilities and equipment to support ~~fire fighting~~firefighting activities.

(b) "Equipment used to extinguish fires" means equipment functionally capable of extinguishing fires, which is primarily and typically used for fire suppression. The phrase does not include equipment used to protect the health or safety of employees in fire situations nor equipment used to detect the presence of fire.

(c) A partial exemption for a fire station may only be given where a distinct, identifiable portion of the property is used for qualified purposes.

~~See Section 15 of this Chapter.~~

(d) Notification

(i) Annually, on or before October 15th, fire extinguishing exemption application forms and instructions shall be made available for review by taxpayers and/or agents at the Department's website located at <http://revenue.wyo.gov>.

(ii) Annually, on or before October 15th, the County Assessor shall provide standard exemption application forms and instructions to taxpayers who have made a request for said forms or has filed fire extinguishing exemption forms during the previous assessment year.

(e) Annually, on or before February 15th of each year, excluding holidays and weekends, all taxpayers and/or agents shall submit completed applications requesting property tax exemption for fire extinguishing property on the application form noted in this Section to the County Assessor for property assessed pursuant to W.S. 39-13-103(b) and the Department for property assessed pursuant to W.S. 39-13-102(m). Any application which is found to be incomplete or submitted after the deadline shall be denied in its entirety

(f) The County Assessor or the Department of Revenue may contract with independent appraisers to determine the value of the fire extinguishing property. In such instances, the appraisals provided shall, at a minimum, conform to the appraisal methods prescribed and interpreted by Department Rules and Uniform Standards of Professional Appraisal Practice as defined in Chapter 9. The appraisal shall be sufficiently detailed to identify the asset investments under application and its contributing value, as part of the value of the whole.

(g) Decision and Appeal

(i) Annually, on or before May 1st or as soon as possible thereafter, the County Assessor shall notify the applicants of the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall file written objection(s) to the County Assessor's final administrative decision with the

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county board of equalization within thirty (30) days after the date or postmark date of the notification, whichever is later.

(ii) Annually, on or before the date set for certification of value of the respective department-assessed property, the Department of Revenue shall by letter to the applicants, certify the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall have thirty (30) days from the date of the final department appraisal notice of Fair Market Value and assessed value within which to file written objection(s) thereto with the State Board of Equalization.

~~(e)-~~

~~Section 8.~~Section 9. Property of a museum or hospital district - W.S. 39-11-105(a)(xvi).

Not all property of a museum or hospital district is exempt. A museum district may only exempt property owned for museum purposes (W.S. 18-10-203). A hospital district may only exempt property owned for hospital purposes (W.S. 35-2-403). ~~By definition, a nursing home owned by a hospital district is exempt as a "hospital purpose", while a house owned by a district for use by the hospital administrator is not exempt.~~

~~Section 9.~~Section 10. Pollution control property - W.S. 39-11-105(a)(xx) and 35-11-1103.

(a) The determination of exempt value shall be made by reasonably calculating the assessed value of the portion of the property necessary for and devoted to elimination, control or prevention of air, water and land pollution. No portion of the assessed value of property which serves other beneficial purposes and use, or which has value as the specific source of marketable byproducts, shall be exempt.

(i) The exemption calculation shall be based on information or application filed by the taxpayer or otherwise available to the assessing officer. The information shall clearly show components, use, installed cost and date of installation, including requested adjustments for functional or economic obsolescence. The assessor shall not rely upon mass asset groupings found on appraisal summary sheets without additional information detailing the components and the value for tax purposes for comparison with the value claimed exempt.

(b) "Property necessary for and devoted to elimination, control or prevention of air, water and land pollution" or "pollution control property" means facilities, installations, capitalized machinery or equipment which are primarily used for the elimination, control or prevention of air, water or land pollution consistent with the following:

(i) "Air pollution" means activities defined in W.S. 35-11-103(b)(ii).

(ii) "Water pollution" means activities defined in W.S. 35-11-103(c)(i).

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(iii) "Land pollution" means contamination of soil or land by the presence of foreign substances in such quantities as may be injurious to human health or welfare, animal or plant life, or otherwise injurious to the beneficial use of the land. This term does not include routine mining operations which affect the contour, grade, presence of vegetation, presence of soil erosion, or presence of wildlife habitat and resources, or such other disturbances requiring reclamation or land restoration other than activities which introduce foreign contaminants in the soil, unless such activity otherwise qualifies as air pollution or water pollution.

(c) "Other beneficial purposes" means uses of property which are of value to the taxpayer such as:

(i) Property which functions as an essential item in the commercial or industrial process or facility;

(ii) Property used for non-pollution control purposes;

(iii) Property required to meet worker safety or convenience requirements or private insurance requirements; or

(iv) Property which affords direct cost savings to the taxpayer in material or other cost categories.

(d) "Marketable by-products" means materials collected by the equipment or property at issue which are either directly marketed, or recycled within the operation or process for eventual sale or use for value.

(e) If only a portion of the property is to be exempt, the calculation shall result in a reasonable apportioning of the value of the property between pollution control and non-pollution control purposes, (e.g., other beneficial purposes or the recovery of marketable by-products), if any.

(f) Notification

(i) Annually, on or before October 15th, pollution control exemption application forms and instructions shall be made available for review by taxpayers and/or agents at the Department's website located at <http://revenue.wyo.gov>.

(ii) Annually, on or before October 15th, the County Assessor shall provide standard exemption application forms and instructions to taxpayers who have made a request for said forms or has filed pollution exemption forms during the previous assessment year.

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(g) Annually, on or before February 15th of each year, excluding holidays and weekends, all taxpayers and/or agents shall submit completed applications requesting property tax exemption for pollution control property on the application form noted in this section to the County Assessor for property assessed pursuant to W.S. 39-13-103(b) and the Department for property assessed pursuant to W.S. 39-13-102(m). Any application which is found to be incomplete or submitted after the deadline shall be denied in its entirety.

(h) The County Assessor or the Department of Revenue may contract with independent appraisers to determine the value of the pollution control property. In such instances, the appraisals provided shall, at a minimum, conform to the appraisal methods prescribed and interpreted by Department Rules and Uniform Standards of Professional Appraisal Practice as defined in Chapter 9. The appraisal shall be sufficiently detailed to identify the asset investments under application and its contributing value, as part of the value of the whole.

(i) Decision and Appeal

(i) Annually, on or before May 1st or as soon as possible thereafter, the County Assessor shall notify the applicants of the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall file written objection(s) to the County Assessor's final administrative decision with the county board of equalization within thirty (30) days after the date or postmark date of the notification, whichever is later.

(ii)

(e) Annually, on or before the date set for certification of value of the respective department-assessed property, the Department of Revenue shall by letter to the applicants, certify the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall have thirty (30) days from the date of the final department appraisal notice of Fair Market Value and assessed value within which to file written objection(s) thereto with the State Board of Equalization.

~~Section 10.~~Section 11. Intangibles W.S. 39-11-105(a)(xxix) and W.S. 39-11-105(b)

~~(a) Purpose and Scope: Assessing jurisdictions as used in this subsection of the rules shall refer to either county assessment offices or the Department of Revenue and each entity shall give consideration to the exemption of Intangible Personal Property with the valuation process. The 2006 Wyoming Legislature in Chapter 31, 2006 Session Laws enumerated in W.S. 39-11-101 (a)(vii)(xvi) and in W.S. 39-11-105 (b)(i-vi) the intangible exemptions.~~

~~(b) Definitions: As used in this subsection the following terms from W.S. 39-11-101 apply:~~

~~(i) "Intangible personal property" means personal property that lacks mass and cannot be seen, felt, weighed, measured or otherwise perceived by the senses; property that has~~

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~~no physical existence beyond merely representational. Intangible property's value lies chiefly in what it represents and its existence may be evidenced by a document.~~

~~(ii) —“Tangible personal property” means personal property that, by its nature, is perceptible to the senses; property that has a physical presence beyond merely representational and that is capable of being touched; property that is able to be perceived as materially existent; property that is not intangible.~~

~~(c) —Exemptions: As used in this subsection the following exemptions are enumerated in W.S. 39-11-105 (b) (i-vi):~~

~~(i) —Goodwill if established and separately identified on a company's books and records, or affirmed by generally accepted accounting, or appraisal principles;~~

~~(ii) —Any of the following intangible items:~~

~~(A) —Workforce in place including its composition and terms and conditions, contractual or otherwise, or its employment;~~

~~(B) —Business books and records, operating systems or any other information base including lists or other information with respect to current or prospective customers';~~

~~(C) —Any patent, copyright, formula, process, design, pattern, know-how, format, proprietary computer software (customized versus standard prewritten programs) or other similar items';~~

~~(D) —Any customer-based intangible. As used in this subparagraph, “customer-based intangible” means composition of market, market share and any other value resulting from future provision of goods or services pursuant to relationships, contractual or otherwise, in the ordinary course of business with customers. In the case of a financial institution, “customer-based intangible” includes deposit base and similar items;~~

~~(E) —Any supplier-based intangible. As used in this subparagraph, “supplier-based intangible” means any value resulting from future acquisitions of goods or services pursuant to relationships, contractual or otherwise, in the ordinary course of business with suppliers of goods to be used or sold by the taxpayer.~~

~~(d) —Any license, permit or other right granted by a person, or by a governmental unit or an agency or instrumentality thereof;~~

~~(e) —Any covenant not to compete, or other arrangement to the extent such arrangement has substantially the same effect as a covenant not to compete, entered into in connection with an acquisition directly or indirectly of an interest in a trade or business or substantial portion thereof;~~

~~(f) Any franchise, trademark or trade name;~~

~~(g) —Any of the following intangible items:~~

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~~(A) Money and cash on hand including currency, gold, silver, and other coin, bank drafts, certified checks and cashier checks;~~

~~(B) Money on deposit;~~

~~(C) Accounts receivable and other credits;~~

~~(D) Bonds, promissory notes, debentures and other evidences of debt;~~

~~(E) Shares of stock or other written evidence of ownership;~~

~~(F) Judgments for the payment of money;~~

~~(G) Annuities and annuity contracts.~~

~~(h)~~ (a) Criteria for reporting of Intangible Exemptions.

(i) Requests for exemption shall be timely filed with the exemption clearly defined and supplemented by all supporting documentation as defined within these rules, on forms provided by the appropriate assessing jurisdiction. Taxpayer(s) shall not self exempt property or property considerations from their report forms. If such a condition is found, the exemption shall be denied in its entirety to the requesting taxpayer(s).

(ii) The intangible must be capable of being separately identified on the taxpayer's company:

(A) Books and records;

(B) Reports filed with any municipal, county, state or federal agency;

(C) Federal income tax returns; or

(D) Other documentation as required by the assessing jurisdiction.

~~(i)~~ (b) If an intangible is requested and it is part of property or property considerations that consist of both tangible and intangible assets, the taxpayer shall provide a documented breakout of the amounts requested via taxpayer balance sheets, historical or original cost worksheets by vintage year. Claims utilizing income calculations shall provide the itemized gross revenues, operating expenses, depreciation and amortization by asset account, all other forms of taxes by asset category and any other deductions to Net Operating Income.

~~(j)~~ (c) Documents in support of requested intangibles shall include, but not be limited to, the following:

(i) A third party fair market value appraisal for the requested exempt intangible assets;

(ii) Copies of audited company books and records, jurisdictional regulatory reports, current federal income tax returns specifically identifying the values or assets being claimed;

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(iii) Independent narrative appraisals and/or valuation engineering studies defining all requested intangible assets by: vintage year by property or property consideration, actual use, economic life's, depreciation trends, net book values and appraised fair market value can meet the definition of as noted in the beginning of this statement.

(iv) For newly merged or acquired property or property considerations, documentation for requested intangible items must be separately listed and identified within corporate records of minutes.

~~(k)-(d)~~ (d) For purposes of these rules, computer software must be separately identifiable as to which portion is the "Standard Prewritten Programs" and which portion is "Customized Software Programs".

(i) Standard Prewritten Programs shall refer to "Canned or off-the-shelf" software or software not originally developed and produced for an individual user. These programs are tangible personal property and not eligible for exemption from property taxation;

(ii) Customized Software Programs shall refer to software having the following characteristics: specifically developed for a taxpayer's sole proprietary use or an original one-of-a kind nature. These programs are intangible personal property and eligible for consideration for exemption when documented by the taxpayer.

~~(l)-(e)~~ (e) Taxpayer requests for intangible exemptions on property or property considerations must be submitted on an annual basis to the appropriate assessing jurisdiction. Prior year exemption requests and granted exemptions shall not carry forward from year to year. It is the taxpayer's responsibility to make the exemption request on an annual report to the appropriate assessing jurisdiction.

~~(m)-(f)~~ (f) The assessing jurisdiction shall as part of the final fair market value appraisal provide to the taxpayer the following detail:

- (i) Itemized listing for all requested intangibles;
- (ii) Statement of whether the exemption was granted or denied;
- (iii) Explanation for all denied exemption items;
- (iv) Calculations on determination for all granted exemption amounts;
- (v) Appraisal methods utilized to determine exemption amounts;
- (vi) Appeal rights, if separate from the final fair market value of the property.

~~(n)-(g)~~ (g) Annual Report Audit Rights and Responsibilities: The appropriate assessing jurisdiction reserves the right to engage the State of Wyoming, Department of Audit or a third party designee to conduct ad valorem tax audits on reporting taxpayer's.

~~Section 11.~~ Section 12. Schools, orphan asylums and hospitals - W.S. 39-11-105(a)(xxv).

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(a) The fundamental basis for this exemption is the benefit conferred upon the public by schools, orphan asylums and hospitals, and the consequent relief, to some extent, of the burden upon the state to educate, care and advance the interests of its citizens. Such institutions thus confer a benefit upon the general citizenry of the state and render an essential service for which they are relieved of certain burdens of taxation.

(b) "Schools" means property owned by private educational institutions and used primarily to provide "traditional education" equivalent to public education. "Traditional education" means systematic instruction in useful branches of learning afforded through methods common to public schools and educational institutions, directed at an indefinite class of persons, which benefits the general public indirectly because it is of a nature ordinarily provided by the government at taxpayer expense.

(A) "Traditional" may include courses offering specialized instruction such as those centered around teaching outdoor leadership and practical field experience to professionals in the field of outdoor education.

(ii) "Traditional" does not include continuing education or education for the professional advancement of an organization's members.

(iii) An entity is rebuttably presumed to be a "school" if it possesses a license and teacher certification from the Wyoming Department of Education, or evidence of courses for which college or university credit is given.

(c) "Hospital" means property used to provide either traditional hospital or nursing home care, promote health care, or provide health related assistance to the general public. In general the institution shall have policies which reflect recognized standards adopted by public health care institutions therefore lessening governmental responsibility in this area.

(i) The institution shall provide health related assistance to the general public without regard to race, religion or gender.

(ii) ~~(i)~~ Indigent care shall be afforded through admission to the institution based on the clinical judgment of the physician, not upon the patient's financial ability or inability to pay.

(d) The property of schools, orphan asylums and hospitals shall not be used for private profit ~~(see Section 11(b) - (e) of this Chapter for relevant criteria).~~

(e) If a school, orphan asylum or hospital confers benefit only upon the citizens of another state, its property is not exempt.

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~~Section 12.~~Section 13. Secret, benevolent and charitable societies and associations - W.S. 39-11 105(a)(xxvi).

(a) The following definitions apply:

(i) "Secret" means fraternal or lodge-type societies or associations which are not necessarily secret or ritualistic.

(ii) "Charity" is a gift for the benefit of an indefinite number of persons in Wyoming, by bringing their minds or hearts under the influence of education or religion, by relieving their bodies from disease, suffering or constraint, by assisting them to establish themselves in life, or by erecting or maintaining public buildings or works. The fundamental basis for this exemption is the benefit conferred upon the public, and the consequent relief, to some extent, of the burden upon the state to care and advance the interests of its citizens.

(iii) "Benevolent" includes purposes which may be deemed charitable, as well as acts dictated by kindness, good will, or a disposition to do good, the objects of which have no relation to the promotion of education, learning, or religion, the relief of the needy, the sick, or the afflicted, the support of public works, or the relief of public burdens. The term has wider significance than "charitable" as a legal tenet but shall be limited to purposes or activities of sufficient public importance and wide-spread social value.

(iv) The word "and" in the phrase "secret, benevolent and charitable society or association" shall be understood in the disjunctive, not conjunctive.

(b) To be exempt under this section, the institution shall fulfill the above definitions, and operate primarily for non-commercial purposes without any element of private profit.

(c) In making a determination of use for private profit, one distinctive feature is whether the entity has capital stock and a provision for dividends or profits, or whether it derives funds mainly from public and private charity, holding them in trust to be expended only for charitable and benevolent purposes.

(i) An institution may charge fees or engage in business, but no gain or value may be distributed to members or stockholders. The officers and members may have no pecuniary interest in the property from which they gain. Payments made to officers, employees, contractors and suppliers shall be reasonable and not an indirect means of conferring gain or profit to private persons.

(ii) Revenue from fees paid by recipients of the charity or services shall be devoted only to the maintenance of the institution or its purposes.

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(iii) A grant of sales/use tax exempt status by the State as a qualified charitable organization, or the grant of income tax exempt status by the Internal Revenue Service as a "501(c)(3)" or similar organization, is not binding in making the determination of whether the property of the entity is exempt from ad valorem taxation. Assessors may consider compliance with and operation under the tax exempt provisions of the Internal Revenue Service Code or an exemption from sale and use tax as a rebuttable presumption the institution's operations are reasonable and not for profit.

(iv) The matter of private profit concerns the way property is used, not solely the ownership thereof. The entire use of the property by all concerned shall be considered.

(d) The property at issue shall not be used primarily for a "commercial purpose", that is use of property or any portion thereof to provide services, merchandise, area or activities for a charge, which are generally obtainable from any commercial enterprise and are collateral to the purpose of the secret, benevolent and charitable society or association.

(i) Commercial purpose includes, without limitation, the operation for charge of bars, restaurants, dancing areas, merchandise shops, housing, theaters and bowling alleys.

(ii) The use of property for commercial purpose is controlling, not whether or not a profit is actually made nor how the revenue is ultimately used. If an activity is considered "commercial", it does not become "non-commercial" merely because the revenue derived from the commercial use is devoted to charitable or authorized purposes.

(e) If a secret, benevolent and charitable society or association confers a benefit only upon the citizens of another state, its property is not exempt.

~~Section 13.~~Section 14. Senior citizens' centers - W.S. 39-11-105(a)(xxvi).

(a) "Senior citizen centers" include property used to provide transportation, information, and recreation facilities and other services which enable senior citizens to maintain their independence and avoid institutionalization.

(i) Senior citizen meal facilities or senior citizen housing complexes which are part of a senior citizen center are exempt. For the exemption, nonprofit organizations providing meals or services to senior citizens shall possess certification of such activity by the division of public assistance and social services of the department of health and social services (or its successor).

(ii) Housing made available to senior citizens which is not part of a senior citizens' center (such as a retirement home) is exempt only if the entity owning the property meets the criteria of a "charitable and benevolent society or association" in

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Section 11 of this Chapter. A retirement home is taxable if the residents provide their own furnishings and are charged for the cost of operating the home, including extra amenities enjoyed by the residents. Such a retirement home constitutes a commercial enterprise, even if operated on a non-profit basis with reduced charges.

(b) In order to be exempt under this section, the senior citizen center shall be operated without any element of private profit and primarily for non-commercial purposes. The definitions and restrictions in Section 11(c)-(d) of this Chapter shall apply.

(c) If a senior citizens' center confers a benefit only upon the citizens of another state, its property is not exempt.

~~Section 14.~~Section 15. Nonprofit corporations - W.S. 39-11-105(a)(xxxv).

(a) In order to be exempt under this section, the corporation shall demonstrate:

(i) income tax exempt status authorized by the Internal Revenue Service as a "501(c)(3)" corporation; and

(ii) the property is owned and used by the corporation to serve persons with disabilities, mental illness, substance abuse problems, or family violence problems; and

(iii) the extent to which the property is operated without any element of private profit, and primarily for non-commercial purposes as limited and defined by Section 11(c)-11(d) of this Chapter.

(b) Housing made available to persons with disabilities, mental illness, substance abuse or family violence problems is not exempt if the residents provide their own furnishings, and are charged for the cost of operating the housing project, which constitutes a commercial enterprise, even if operated on a non-profit basis with reduced charges.

Section 16. Veteran's Exemption W.S. 39-11-105(a)(xxiv) and W.S. 39-13-105

(a) Definitions

(i) For purposes of this Chapter, "principal residence" means the residential real property or manufactured home occupied by the veteran or qualifying surviving spouse as his or her sole or primary home.

(ii) For purposes of this Chapter, "military service" means active federal service in a branch of the armed forces of the United States, including active federal service in the National Guard or Reserve units associated with a branch of the armed forces of the United States. The term "military service" as used herein does not include

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“active state service” as defined in W.S. 19-7-101(a)(v), as amended, and is expressly limited to federal service under Title 10, United States code.

(iii) For purposes of this Chapter, “tax year” means the calendar year, commencing with the real property assessment date of January 1st, and ending upon December 31st. The “tax year” for motor vehicle and mobile homes shall coincide with the current enrollment period for the exemption and shall conclude on the fourth Monday in May.

(iv) For purposes of this Chapter, “other authorized service or campaign medal” shall be defined as campaign or service medal(s) authorized by the Department of Defense for service in armed conflicts in a foreign country, and issued by the Department of Defense to the veteran and enumerated on the discharge documents.

(b) Eligible veterans

(i) To be eligible to claim the exemption, any veteran deemed to meet one or more of the qualifications of W.S. 39-13-105(a) must also be a bona fide resident of the State of Wyoming for at least three (3) consecutive years immediately preceding the time of claiming the exemption.

(A) A recently discharged veteran with a home residency of Wyoming, with no break in residency, has met this requirement.

(B) A veteran previously enrolled in the veterans exemption program who moves to another state must wait three (3) years after returning to Wyoming before qualifying for the exemption.

(ii) Annually, the Property Tax Division shall publish a complete list of qualifying expeditionary medals which will be posted on the Department’s website located at <http://revenue.wyo.gov>.

(c) Proof of Eligibility – Veteran

(i) An applicant for veteran’s exemption must present the County Assessor written documentation of his honorable separation, release or discharge from military service. Acceptable forms of documentation include, but are not limited to: WD AGO Form 53-55, NAVMC 78-PD, NAVPERS-533, DD Form 214, DD Form 214N, DD Form 214MC.

(A) The Assessor shall retain a copy of each veteran’s qualifying separation document on file.

(d) Eligibility – Surviving Spouse

(i) The unmarried surviving spouse of any person who died while serving honorably during the war, conflict or period described in W.S.39-13-105(a) is entitled to a veterans exemption if:

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(A) The surviving spouse is a bona fide resident of Wyoming for at least three (3) years at the time of claiming exemption.

(B) The surviving spouse previously enrolled in the veterans' exemption program who moves to another state must wait three (3) years after returning to Wyoming before qualifying for exemption.

(C) Should the surviving spouse remarry, the spouse does not qualify for the veteran exemption even if the marriage ends in divorce or becomes widowed.

(ii) In order for property subject to a trust created by, or for the benefit of a surviving spouse to qualify for application of the veterans exemption, the surviving spouse must not have remarried and be the sole current beneficiary of the trust.

(e) Limitations

(i) A qualified veteran shall be limited to an annual exemption of tax based upon the assessed value limitation specified by Wyoming Statute 39-13-105(b), notwithstanding that the veteran may have honorably served in more than one war, conflict or period designated in Wyoming Statute 39-13-105.

(ii) The exemption for real property shall only apply to the principal residence of the veteran or qualifying surviving spouse. The assessor must use prudent judgment to evaluate the factors in (A) and (B) below for purposes of determination if a property qualifies as the principal residence of the veteran or qualifying surviving spouse wishing to claim the exemption.

(A) Factors that the assessor may consider that could indicate if a residential property or manufactured home is the principal residence of the veteran or surviving spouse:

(I) The property is occupied by the qualifying veteran or surviving spouse for more than six (6) months of each year during the last three (3) consecutive years immediately prior to the time of claiming the exemption required to meet the Wyoming residency requirement, and continues to be occupied by the veteran or qualifying surviving spouse for more than six (6) months in each tax year for which the exemption is claimed;

(II) The property is the location listed on public records as the veteran's or qualifying surviving spouse's legal residence for voter registration purposes;

(III) The property is identified as the legal address for the veteran's or qualifying surviving spouse's federal income tax returns;

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(IV) The property is deemed to be the principal residence of the veteran or qualifying surviving spouse by other agencies of Wyoming government or its political subdivisions;

(B) Factors that the assessor may consider that could indicate that a property is not the principal residence of the veteran or qualifying surviving spouse may include:

(I) Absence of the veteran or qualifying surviving spouse from the property for periods of longer than six (6) months in the year for which the exemption is claimed, when the absences are not due to the veteran or qualifying surviving spouse attending an institution of higher learning; being hospitalized; or being confined to nursing home, hospice, or other similar care facility;

(II) The veteran or qualifying surviving spouse claiming another property as his or her principal, primary, or sole residence for other state, local, or federal taxation or voting purposes;

(III) Clear physical evidence that the property is something other than the principal residence of the veteran or qualifying surviving spouse.

(iii) For purposes of this Chapter, an honorably discharged veteran or qualifying surviving spouse who has qualified for the veteran's exemption and subsequently enlists or returns to the military service of the United States may continue to claim Wyoming as his or her principal state of residence for purposes of claiming the exemption so long as he or she declares Wyoming and no other state to be his or her legal state of residency.

(iv) The exemption may be claimed by the veteran or qualifying surviving spouse in only one (1) county in Wyoming in any given tax year.

(v) Ownership limitation, as set forth by Wyoming Statute 39-13-105(c)(ii) applies to both real property and personal property, including motor vehicles.

(A) If a husband and wife are both qualifying veterans under these Rules, and own property as specified in this subsection, each spouse may claim up to the maximum assessed value exemption as permitted by Statute. If the assessed value of property owned by the married qualifying veteran applicants in joint tenancy or tenancy in common is less than the aggregated assessed value for which they are entitled to exemption, the assessor shall use his or her discretion to equally apportion the exemption between the two applicants.

(B) If two or more qualified veterans own the same principal residential property, the exemption is granted since no party receives any unearned benefits. Each party may claim up to the maximum assessed value exemption as permitted by the Statute. If the assessed value of property owned by the qualifying

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veteran applicants in joint tenancy or tenancy in common is less than the aggregated assessed value for which they are entitled to exemption, the assessor shall use his or her discretion to equally apportion the exemption between all the applicants.

(C) As long as the veteran or veteran's spouse is listed as an owner and the property is the principal residence, the exemption shall be granted.

(f) Application Form

(i) Pursuant to Wyoming Statute 39-11-102(c)(xiv), the Department shall prescribe the form for the veterans' exemption application. The form shall require submission of information by the claimant deemed lawfully necessary to determine the claimant's eligibility for the exemption, to adequately establish the identity of claimant for purposes of the exemption, and to ascertain that the claimant is only claiming the exemption in one county in any given tax year.

(A) On the initial claim form, the applicant must sign exemption claim form in the presence of the County Assessor or authorized employee.

(B) The County Assessor can accept a notarized signed claim form in lieu of a signed form in the presence of the County Assessor or their authorized employee.

(ii) Annual application, after the initial application, must be submitted by the statutory deadline specified in W.S. 39-13-105(c) and can be made via telephone or other communication method. Exemption will not be allowed during any tax year in which the claimant fails to file in a timely manner.

(iii) The County Assessor is required to log the date, time and method in which an applicant files.

(g) Reporting Requirements

(i) The County Assessor shall enter all veteran exemption claims into the Veterans Exemption Database (VED) provided by the Department.

(ii) The Department, Property Tax Division, shall on or before June 1st each year, provide the County Assessor and County Treasurer a form requesting the current year's veterans' exemptions as applied for within the county. The form shall provide for separate reporting of exemptions granted under Wyoming Statute 39-13-105 and Wyoming Statute 31-3-101(b)(vii).

~~(b)~~(iii) The report shall be returned to the Administrator, Property Tax Division, by September 1st each year as required by Wyoming Statute 39-13-102(k).

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~~Section 15.~~Section 17. Claimed exemptions on multiple authority.

(a) Taxpayers may claim exemption on the basis of one or more statutory provisions. Careful analysis of the ownership and use of the property is required.

(i) For example, museum property may be exempt because: it is a public municipal museum operated for a governmental purpose under W.S. 15-1-103 and W.S. 39-11-105(a)(v); it is a public county museum operated for a governmental purpose under W.S. 18-10-101 and W.S. 39-11-105(a)(iii); it is property of a special museum district under W.S. 18-10-201 and W.S. 39-11-105(a)(xvi); or it is owned by a non-profit entity qualifying as a charitable or benevolent association and operated on a noncommercial basis under W.S. 39-11-105(a)(xxvi). Under this example only one exemption is applicable based on ownership and operation.

(ii) (Under appropriate circumstances more than one exemption provision may apply, (e.g. an entity may be both a school and a nonprofit charitable and benevolent entity owning property for a non-commercial use).

(iii) Different criteria are applicable and each shall be separately and carefully analyzed in making an exemption determination.

~~Section 16.~~Section 18. Lease or rental of property.

(a) The occasional rental of property by an exempt entity, if such rental does not interfere with the use of the property consistent with the exemption standards, will not affect the exemption.

(b) With the exception of (c) and (d) below, the rental of property to an exempt entity (including rental by an exempt entity to an exempt entity) for any gain or profit shall render the property taxable. The commercial use of the property by the owner is part of its total use, and therefore an exemption is not available.

(c) The leasing of publicly owned property is not, of itself, a use for nongovernmental purposes if the primary use is reasonably necessary to the efficient provision of a governmental function or service. The fact a governmental entity accomplishes such function through a lessee will not affect the exemption. If, however, governmental property is used by a lessee for non-governmental purposes, the property is not exempt.

(d) Leased property owned by the State Loan and Investment Board through foreclosure is exempt.

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(e) If a lease arrangement results in taxability of property owned by an exempt entity, the exempt entity owes the tax. The lessee shall not be assessed as leaseholds are not subject to taxation.

~~Section 17.~~Section 19. Partial exemption.

(a) A partial exemption may only be allowed where a separately identifiable portion of the property is used for qualified purposes (either primarily or exclusively, based on the legal requirement). Where a partial exemption is allowed, the non-exempt portion shall be taxed according to its proportionate value, if any.

(b) A partial exemption may not be granted based upon percentage use of shared or common space or facilities. If a shared use is present a decision must be made as to whether the shared use is of such nature or duration as to invalidate the exemption.

~~Section 18.~~Section 20. Undeveloped, unconstructed or unused property.

(a) For exemptions requiring a specific use to qualify, neither ownership of the property nor stated objectives of the entity's organization is sufficient. To justify an exemption, actual and immediate use of the property consistent with the applicable exemption standard is required. The mere holding of the property by an entity for future or prospective use is not sufficient.

(b) An exemption may be granted once construction or use commences consistent with the exempt purpose.

~~Section 19.~~Section 21. Conveyances.

(a) Any property, title to which is transferred of record to an exempt entity prior to January 1 of any given year, is not subject to taxation for that year provided an exemption otherwise applies.

(b) With the exception of (c) below, if title to property is transferred of record after January 1, the property is taxable for the entire year.

(c) Property of the State Loan and Investment Board is exempt if it becomes "owner" of the property pursuant to W.S. 11-34-126 before the fourth Monday in June.

(d) There is no authority for the county to pro rate taxes on real property. The proration of taxes is a private, contractual matter between the parties to a conveyance. Absent a contractual arrangement, the provisions of W.S. 39-13-103(c) and 39-13-107(b)(i)(E) apply.

~~Section 20.~~Taxpayer rights.

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~~(a) Any person adversely affected by a decision of a county assessor on an exemption issue may file a protest with the county board of equalization.~~

~~(b) An exemption issue may also be addressed to a board of county commissioners pursuant to W.S. 39-13-109(e)(ii), or to the district court pursuant to W.S. 39-13-109(e)(i).~~

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CHAPTER 15

VETERANS EXEMPTION

Section 1. Authority

~~These rules are promulgated under the authority of Wyoming Statute 39-11-102(b), Wyoming Statute 39-11-105(a)(xxiv), and Wyoming Statute 39-13-105.~~

Section 2. Purpose of Rules

~~These rules are intended to clarify qualifications for, and administration of, the Wyoming veteran's exemption, Wyoming Statute 39-13-105.~~

Section 3. Definitions

- ~~(a.) For purposes of this Chapter, "principal residence" means the residential real property or manufactured home occupied by the veteran or qualifying surviving spouse as his or her sole or primary home.~~
- ~~(b.) For purposes of this Chapter, "military service" means active federal service in a branch of the United States military: the Air Force, Army, Marine Corps, Navy, or Coast Guard; including active federal service in National Guard or Reserve units associated with the various branches of the U.S. military listed herein. The term "military service" as used herein does not include "active state service" as defined in Wyoming Statute 19-7-101(a)(v), as amended, and is expressly limited to federal service under Title 10, United States code.~~
- ~~(c.) For purposes of this Chapter, "tax year" means the calendar year, commencing with the real property assessment date of January 1st, and ending upon December 31st. The "tax year" for motor vehicle and mobile homes shall coincide with the current enrollment period for the exemption and shall conclude on the fourth Monday in May.~~
- ~~(d.) For purposes of this Chapter, the term "honorably discharged veteran" has the same meaning as that set forth in Wyoming Statute 39-13-105(f), as amended.~~
- ~~(e.) For purposes of this Chapter, the term "disabled veteran" has the same meaning as that set forth in Wyoming Statute 39-13-105 (a)(vii), as amended.~~

Section 4. Eligible veterans

~~The following veterans or their qualifying spouses are eligible for the exemption to the extent provided by law:~~

- ~~(a.) An honorably discharged veteran of the Indian Wars, Spanish American War, Filipino insurrection, Boxer rebellion, Puerto Rico campaign or First World War;~~

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- ~~(b.) An honorably discharged veteran of the Second World War who served in the military service of the United States as set forth in Wyoming Statute 39-13-105 (a)(ii).~~
- ~~(c.) An honorably discharged veteran of the Korean War emergency who served in the military service of the United States as set forth in Wyoming Statute 39-13-105 (a)(iii).~~
- ~~(d.) An honorably discharged veteran of the Vietnam War emergency who served in the military service of the United States as set forth in Wyoming Statute 39-13-105 (a)(iv).~~
- ~~(e.) An honorably discharged veteran who served in the military service of the United States, who was awarded the armed forces expeditionary medal or other authorized service or campaign medal indicating service for the United States in any armed conflict in a foreign country. Annually, the Property Tax Division shall publish a complete list of qualifying expeditionary medals which will be posted on the Department's website located at <http://revenue.state.wy.usgov>.~~
- ~~(f.) A disabled veteran with a compensable service-connected disability certified by the Veterans Administration or a branch of the armed forces of the United States.~~
- ~~(g.) To be eligible to claim the exemption, any veteran deemed to meet one or more of the qualifications of (a.) through (f.) of this Section must also be a bona fide resident of the State of Wyoming for at least three (3) consecutive years immediately prior to the time of claiming the exemption.~~
 - ~~(i.) A recently discharged veteran with a home residency of Wyoming, with no break in residency, has met this requirement.~~
 - ~~(ii.) A veteran previously enrolled in the veterans exemption program who moves to another state must wait three (3) years before qualifying for exemption.~~

~~Section 5. Proof of Eligibility—Veteran~~

- ~~(a.) An applicant for veteran's exemption must present the County Assessor written documentation of his honorable separation, release or discharge from military service. Acceptable forms of documentation include, but are not limited to: WD AGO Form 53-55, NAVMC 78-PD, NAVPERS 533, DD Form 214, DD Form 214N, DD Form 214MC, DD Form 215, NGB Form 22-1 or NGB Form 22.~~
 - ~~(i.) The Assessor shall retain a copy of each veteran's qualifying separation document on file.~~
- ~~(b.) Other authorized service or campaign medal shall be defined as campaign or service medal(s) authorized by the Department of Defense for service in armed conflicts in a foreign country, and issued by the Department of Defense to the veteran and enumerated on the discharge documents. Annually, the Property Tax Division shall publish a complete list of qualifying expeditionary medals on the Department's website located at <http://revenue.state.wy.us>~~

~~Section 6. Eligibility—Surviving Spouse~~

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- ~~(a.) The unmarried surviving spouse of any person who died while serving honorably during the war, conflict or period described in Section 4 is entitled to a veterans exemption if:~~
- ~~(i.) The surviving spouse is a bona fide resident of Wyoming for at least three (3) years at the time of claiming exemption.~~
 - ~~(ii.) The surviving spouse previously enrolled in the veterans' exemption program who moves to another state must wait three (3) years after returning to Wyoming before qualifying for exemption.~~
 - ~~(iii.) Should the surviving spouse remarry, the spouse does not qualify for the veteran exemption even if the marriage ends in divorce or becomes widowed.~~
- ~~(b.) The unmarried surviving spouse of a veteran during widowhood or widowerhood is entitled to a veteran's exemption if:~~
- ~~(i.) At the time of the spouse's death, both the veteran and the veteran's spouse were residents of Wyoming;~~
 - ~~(ii.) The veteran's spouse has been a resident of Wyoming for at least three (3) years at the time the spouse claims the exemption; and~~
 - ~~(iii.) The veteran would have qualified under Section 3 for a tax exemption had the veteran survived and applied for the exemption.~~
- ~~(c.) In order for property subject to a trust created by, or for the benefit of a widow (surviving spouse) to qualify for application of the veterans exemption, the widow (surviving spouse) must not have remarried and be the sole current beneficiary of said trust.~~

Section 7. Limitations

- ~~(a.) A qualified veteran shall be limited to an annual exemption of tax based upon the assessed value limitation specified by Wyoming Statute 39-13-105(b), notwithstanding that the veteran may have honorably served in more than one war, conflict or period designated in Wyoming Statute 39-13-105.~~
- ~~(b.) The exemption for real property shall only apply to the principal residence of the veteran or qualifying surviving spouse. The assessor must use prudent judgment to evaluate the factors in (i.), (ii.) and (iii.) below for purposes of determination if a property qualifies as the principal residence of the veteran or qualifying surviving spouse wishing to claim the exemption:~~
- ~~(i.) Factors that the assessor may consider that could indicate if a residential property or manufactured home is the principal residence of the veteran or surviving spouse:~~
 - ~~(A.) The property is occupied by the qualifying veteran or surviving spouse for more than six (6) months of each year during the last three (3) consecutive years~~

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- ~~immediately prior to the time of claiming the exemption required to meet the Wyoming residency requirement, and continues to be occupied by the veteran or qualifying surviving spouse for more than six (6) months in each tax year for which the exemption is claimed;~~
- ~~(B.) The property is the location listed on public records as the veteran's or qualifying surviving spouse's legal residence for voter registration purposes;~~
- ~~(C.) The property is identified as the legal address for the veteran's or qualifying surviving spouse's federal income tax returns;~~
- ~~(D.) The property is deemed to be the principal residence of the veteran or qualifying surviving spouse by other agencies of Wyoming government or its political subdivisions;~~
- ~~(ii.) Factors that the assessor may consider that could indicate that a property is not the principal residence of the veteran or surviving spouse may include:~~
- ~~(A.) Absence of the veteran or qualifying surviving spouse from the property for periods of longer than six (6) month in the year for which the exemption is claimed, when such absences are not due to the veteran or qualifying surviving spouse attending an institution of higher learning; being hospitalized; or being confined to nursing home, hospice, or other similar care facility;~~
- ~~(B.) The veteran or qualifying surviving spouse claiming another property as his or her principal, primary, or sole residence for other state, local, or federal taxation or voting purposes;~~
- ~~(C.) Clear physical evidence that the property is something other than the principal residence of the veteran or qualifying surviving spouse.~~
- ~~(iii.) For purposes of this Chapter, an honorably discharged veteran or qualifying surviving spouse who has qualified for the veteran's exemption and subsequently enlists or returns to the military service of the United States may continue to claim Wyoming as his or her principal state of residence for purposes of claiming the exemption so long as he or she declares Wyoming and no other state to be his or her legal state of residency;~~
- ~~(e.) The exemption may be claimed by the veteran or qualifying surviving spouse in only one (1) county in Wyoming in any given tax year.~~
- ~~(d.) Ownership limitation, as set forth by Wyoming Statute 39-13-105(c)(ii) applies to both real property and personal property, including motor vehicles.~~
- ~~(i.) If a husband and wife are both qualifying veterans under these Rules, and own property as specified in this subsection (d.), each spouse may claim up to the maximum assessed value exemption as permitted by Statute. If the assessed value of property owned by the married qualifying veteran applicants in joint tenancy or tenancy in common is less than the aggregated assessed value for which they are~~

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~~entitled to exemption, the assessor shall use his or her discretion to equally apportion the exemption between the two applicants.~~

~~(ii.) If two or more qualified veterans own the same principal residential property, the exemption is granted since no party receives any unearned benefits. Each party may claim up to the maximum assessed value exemption as permitted by the Statute. If the assessed value of property owned by the qualifying veteran applicants in joint tenancy or tenancy in common is less than the aggregated assessed value for which they are entitled to exemption, the assessor shall use his or her discretion to equally apportion the exemption between all the applicants.~~

~~(iii.) As long as the veteran or veteran's spouse is listed as an owner and the property is the principal residence, the exemption shall be granted.~~

Section 8. Application Form

~~(a.) Pursuant to Wyoming Statute 39-11-102(c)(xiv), the Department shall prescribe the form for the veterans' exemption application. The form shall require submission of information by the claimant deemed lawfully necessary to determine the claimant's eligibility for the exemption, to adequately establish the identity of claimant for purposes of the exemption, and to ascertain that the claimant is only claiming the exemption in one county in any given tax year.~~

~~(i.) On the initial claim form, the applicant must sign exemption claim form in the presence of the County Assessor or authorized employee.~~

~~(ii.) The County Assessor can accept a notarized signed claim form in lieu of a signed form in the presence of the County Assessor or their authorized employee.~~

~~(b.) Yearly application, after the initial application, must be submitted by the statutory deadline specified in W.S. 39-13-105(c) and can be made via telephone or other communication method. Exemption will not be allowed during any tax year in which the claimant fails to file in a timely manner.~~

~~(c.) For each tax year for which a claimant wishes to apply for the exemption, the claimant can apply, after the initial application, by telephone or other communication method by the statutory deadlines specified in Wyoming Statute 39-13-105(c). Exemptions shall not be granted to a claimant for taxes assessed during any tax year in which the claimant fails to timely file an application -~~

~~(d.) The County Assessor is required to log the date and time an applicant files by telephone or other communication method.~~

Section 9. Reporting Requirements

~~(a.) The Department of Revenue, Property Tax Division, shall on or before June 1st each year, mail to the County Assessor a form requesting the current year's veterans' exemptions as applied for within the county. The form shall provide for separate~~

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~~reporting of exemptions granted under Wyoming Statute 39-13-105 and Wyoming Statute 31-3-101(b)(vii).~~

~~(b.) The Department's form shall request the following information for calculation of the veterans exemptions:~~

~~(i.) Tax district number;~~

~~(ii.) Total number of exemptions allowed and type by tax district for;~~

~~(A.) Real and Personal Property~~

~~(B.) Motor vehicles and trailers~~

~~(C.) Other as defined by assessor~~

~~(1.) To include vehicle fees for Prisoner of War granted under Wyoming Statute 31-3-101(b)(vi).~~

~~(D.) Total number of exemptions granted~~

~~(iii.) Amount of exemption (valuation);~~

~~(iv.) Mill levy by tax district; and~~

~~(v.) Total tax amount (dollars) by tax district~~

~~(e.) The report shall be returned to the Department of Revenue, Administrator, Property Tax Division, by September 1st each year as required by Wyoming Statute 39-13-102(k).~~

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~~CHAPTER 16~~

~~POLLUTION CONTROL AND FIRE SUPPRESSION PROPERTY EXEMPTIONS~~

~~Section 1. Authority.~~

~~These rules are promulgated by the Wyoming Department of Revenue under the authority of W.S. 39-11-102(b).~~

~~Section 2. Purpose.~~

~~These rules are intended to prescribe a uniform process for certification of locally-assessed and state-assessed property tax exemptions for pollution control and fire suppression property. The tax exemption standards for pollution control and fire suppression property are herein by reference in Chapter 14 of the Department rules.~~

~~Section 3. Notification.~~

~~(a)—Annually, on or before October 15, pollution control and fire suppression property exemption applications forms shall be made available for review by taxpayers and/or agents at the Wyoming Department of Revenue web page <http://revenue.state.wy.us> — Forms — Property Tax — Pollution Control and Fire Suppression Exemption.~~

~~(b)—A separate application is required for Pollution Control and for Fire Suppression Property. Additionally, a separate application shall be completed for each item which is being requested for exemption.~~

~~Section 4. Application Deadline.~~

~~Annually, on or before February 15th of each year, excluding holidays and weekends, all taxpayers and/or agents shall submit completed applications requesting property tax exemption for pollution control and fire suppression property on the application form noted in Section 3 (a). Any application which is found to be incomplete or submitted after the deadline shall be denied in its entirety.~~

~~Section 5. Review, Inspection, Recommendation.~~

~~The County Assessor or the Department of Revenue may contract with independent appraisers to determine the value of the pollution control and fire suppression property. In such instances, the appraisals provided shall, at a minimum, conform to the appraisal methods prescribed and interpreted by Department Rules and Uniform Standards of Professional Appraisal Practice as defined in Chapter 9. The appraisal shall be sufficiently detailed to identify the asset investments under application and its contributing value, as part of the value of the whole.~~

~~Section 6. Decision and Appeal.~~

~~(a)—Annually, on or before May 1st or as soon as possible thereafter, the County Assessor shall notify the applicants of the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall file written objection(s) to the County Assessor's final administrative decision with the county board of equalization within thirty days after the date or postmark date of the notification, whichever is later.~~

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~~(b) Annually, on or before the date set for certification of value of the respective department-assessed property, the Department of Revenue shall by letter to the applicants, certify the type and amount of exemption to be allowed for the current tax year for each application submitted. The applicant shall have thirty days from the date of the final department appraisal notice of Fair Market Value and assessed value within which to file written objection(s) thereto with the State Board of Equalization.~~

~~Section 7. Confidentiality.~~

~~In accordance with W.S. 39-13-102(q)(i-v), pollution control and fire suppression property exemption applications and information are confidential. Taxpayer return information shall include, but not be limited to all statements, reports summaries, and all other data and documents under audit or provided by the taxpayer in accordance with law.~~

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CHAPTER 17

PROPERTY TAX DEFERRAL

Section 1. Authority:

These rules are adopted pursuant to W.S. 16-3-103 and W.S. 39-11-102(b).

Section 2. Purpose:

These rules are intended to clarify the undefined and ambiguous portions of W.S. 39-13-107(b)(iii) by implementing procedures and standards for establishing income limits and procedures to assist the administration of a county program for the deferral of ad valorem tax collection.

Section 3. Procedures to Establish Limited Income Criteria:

On or before August 1st of each year, the Department of Revenue (Department) shall produce and mail to all counties a table establishing limited income criteria by county for qualification under the deferral of property tax program, W.S. 39-13-107(b)(iii). The table shall be based on the most recent poverty guidelines issued by the U.S. Department of Health and Human Services for a family unit size of four, adjusted by the most recent Wyoming comparative cost of living index published by the Economic Analysis Division of the Department of Administration and Information.

Section 4. Submission of County Deferral Programs:

Pursuant to W.S. 39-13-107(b)(iii)(A) and 39-13-107(b)(iii)(O), the board of county commissioners of each county intending to implement a property tax deferral program shall submit all rules, regulations, guidelines, forms and other program information to the Department sixty (60) days prior to implementation. The Department may disapprove a county deferral program for any of the following reasons:

- (a.)—The county program is inconsistent with W.S. 39-13-107(b)(iii);
- (b.)—The county program establishes expansions or limitations for participation in the deferral program not expressly or implicitly authorized by law;
- (c.)—The county program fails to assure consistent administration in any of the following areas:
 - (i.)—Protection of the interests of legal owners, equity owners, lienholders, and the county in the property subject to deferral;
 - (ii.)—Clarity and consistency in determining principal residence;
 - (iii.)—Clarity and consistency in determining eligible applicants by age or handicapped status;
 - (iv.)—Clarity and consistency in determining limited income;
 - (v.)—Established procedures for filing applications and/or affidavits to participate in the deferral program for current year taxes;
 - (vi.)—Established procedures for filing affidavits to continue deferral status for prior year taxes;

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- ~~(vii.) Established procedures for approving or disapproving deferral applications and affidavits;~~
- ~~(viii.) Established procedures and standards for declaring deferred taxes due and payable;~~
- ~~(ix.) Established procedures for providing notice of deferred taxes as a lien against the property;~~
- ~~(x.) Standards to assure taxes deferred do not exceed the limits established by law; and~~
- ~~(xi.) Sufficient procedures for record keeping to assure county records will be developed and maintained consistent with W.S. 39-13-107(b)(iii)(K), and a summary thereof reported to the Department consistent with Section 5 of this Chapter.~~

Section 5. Reporting.

On or before August 10th of each year, the board of county commissioners, or its designee, shall submit to the Department a summary report of the county deferral program including:

- ~~(a.) The number of claimants participating in the current year deferral program;~~
- ~~(b.) The amount of all current year deferred taxes, itemized as follows:~~
 - ~~(i.) The portion attributable to school district levies which will be paid from the county general fund as though collected, including (the following detail need not be separately reported to the Department):~~
 - ~~(A.) The twelve (12) mills for school purposes as provided by W.S. 21-13-303;~~
 - ~~(B.) The county school levy of six (6) mills as provided by W.S. 21-13-201;~~
 - ~~(C.) The mandatory and optional school district levies as provided by W.S. 18-9-202, 21-12-103, 21-13-102, 21-13-501 through 21-13-503, 21-20-109, and 21-20-110;~~
 - ~~(D.) Any community college district levies as provided by W.S. 21-18-303, 21-18-304, and 21-18-311; and~~
 - ~~(E.) Any levies for bonds or interest for school or community college districts.~~
 - ~~(ii.) The portion attributable to a levy by a city or town; and~~
 - ~~(iii.) The balance which is attributable to the county general fund.~~
- ~~(c.) The number of claimants, and amount of deferred taxes and interest, subject to a county board order declaring deferred taxes and interest due and payable; and~~
- ~~(d.) The total of all taxes and interest, including current year taxes, subject to deferral.~~

WYOMING DEPARTMENT OF REVENUE

CHAPTER 19

WYOMING PROPERTY TAX REFUND PROGRAM

Section 1. Authority.

These rules are promulgated by the Wyoming Department of Revenue (Department) under the authority of W.S. 16-3-103 and W.S. 39-11-102(b).

Section 2. Purpose.

These rules are intended to supplement W.S. 39-13-109(c)(iv) by implementing standards for establishing income limits and procedures to assist in the administration of the property tax refund program set forth in this statute.

Section 3. Definitions For purposes of this Chapter:

- (a) “Adult” means a person whose age is eighteen (18) years or more.
- (b) “Applicant” means an individual applying for refund under W.S. 39-13-109(c)(iv), stating ownership and occupancy as to his or her principal residence.
- (c) “Calendar year” means the calendar year in which the property tax is billed. Thus it refers to the tax payments which become due on September 1st of the calendar year in which they are billed and on March 1st of the following year.
- (d) “Federal income tax return” means any income tax return filed with the Internal Revenue Service by an individual.
- (e) “Form” means an application approved by the Department.
- (f) “Gross income” means all taxable and nontaxable income received by all adult members of the household from all sources.
- (g) “Household furnishings and personal property” shall be construed to mean all tangible personal property except personal motor vehicles. It shall not include any intangible personal property as defined in W. S. 39-11-101(a)(vii).
- (h) “Household assets” means real property, as defined by W.S. 39-11-101(a)(xv), and intangible and tangible personal property, as defined in W.S. 39-11-101(a)(vii) and (xvi), belonging to the members of the household.
- (i) “Members of the household” means all adults whether or not related by blood or marriage, who reside within the same residence.

(j) “Personal motor vehicle” means any vehicle that can be used for personal transportation, including, but not limited to: automobiles, light trucks, vans, motorcycles, snowmobiles, all-terrain vehicles, and motor homes. It shall not include trucks with more than two axles, used primarily for commercial transportation of goods.

(k) “Principal residence” is the primary residence or domicile, the address of which may be reflected on a driver’s license, federal income tax return, and/or voter registration. Portions of said residence used for business purposes are not considered part the principal residence; property taxes deducted as expenses of the business conducted in the residence shall be excluded from consideration for relief under this program.

(l) “Refund” means a repayment by the state of property taxes paid by the application deadline for the preceding year on an applicant’s principal residence plus land.

(m) “Resident” means a person who physically lives in Wyoming for more than one-half (1/2) of the year; however, no person shall be deemed to have lost residency by reason of absence on business of the United States, or of the state, or in the military or navel service of the United States. A qualifying resident must satisfy the residency requirement for each of the five (5) years preceeding the year of the application for refund under this program.

(n) “Taxable and nontaxable income” means all income of all members of the household including, but not limited to:

- (i) Wages;
- (ii) Net self-employment income;
- (iii) Unemployment compensation;
- (iv) Worker’s compensation;
- (v) Lease payments;
- (vi) Net rental income;
- (vii) All interest earnings;
- (viii) Social security income;
- (ix) All retirement plans; and
- (x) Alimony

Section 4. Qualifications for Eligibility.

(a) An applicant must have been a resident of the state of Wyoming for a period of not less than five (5) years prior to the year in which he/she applies for a refund under W.S. 39-13-109(c)(iv). For purposes of this provision, the five year period must be continuous. When a joint

application is filed because the property is jointly owned, at least one of the joint owners must satisfy this residency requirement.

(b) An applicant must have paid the property tax with any applicable interest and penalties, for the preceding calendar year upon the individual's principal residence including the land, on which the residence is located by the application deadline.

(c) An applicant must satisfy the following financial requirements to be eligible for a refund under the provisions of W.S. 39-13-109(c)(iv);

(i) Total household income, defined as "gross income" in Section 3, above, shall not exceed the greater of three-fourths (3/4) of the median gross household income for the applicant's county of residence or of the state, as determined annually by the Economic Analysis Division of the Department of Administration and Information and

(ii) The value of total household assets, excluding the items listed below, shall not have a value in excess of one-hundred thousand dollars (\$100,000.00) per adult member of the household as adjusted annually by the statewide average Wyoming cost-of-living index published by the Economic Analysis Division of the Department of Administration and Information.

(iii) Items excluded from household assets are as follows:

(A) The value of the home subject to the refund application;

(B) One (1) personal motor vehicle per adult in the household;

(C) Household furnishings and personal property;

(D) Assets held under a bona fide pension plan or individual retirement account;

(E) The cash value of any life insurance policies held; and

(F) Assets held in a medical savings account.

Section 5. Application Procedures.

(a) An application must be completed and returned to the County Treasurer or the Department on or before the first Monday in June. Any applications submitted after this closing date will be denied. Applicants filed with the County Treasurer shall be forwarded to the Department for processing.

(b) A new application under oath, on forms approved by the Department must be submitted each year.

(c) Applications must be fully documented each year. Copies of documents attached to the application are part of the application and will not be returned to the applicant.

(d) A timely submitted application may be disqualified for cause. An application which appears to qualify may be disqualified, for example, if proper documentation is not attached.

(e) If an applicant dies after submitting an application, and before the refund payment is made, the refund shall be paid to the decedent's estate.

Section 6. Administrative Procedures.

(a) The Department shall prepare and issue application forms for refunds under W.S. 39-13-109(c)(iv) on or before January 15 of each year.

(b) The Department shall compute the cost-of-living adjusted limited to the value of non-exempt household assets. The Department shall also maintain information regarding this adjustment for all years of the program.

(c) Annually the Department shall obtain the data from the Economic Analysis Division of the Department of Administration and Information regarding the statewide average cost-of-living index and median household income for each county in the state and for the state as a whole.

(d) Annually the Department shall compile data regarding the median residential property tax value in each of the counties.

(e) The Department shall review all applications for refunds which have been filed in a timely manner, as specified in Section 5(a), above. Applications which are not filed by the due date shall be denied. The review must address the following issues:

(i) Whether the application is filed timely;

(ii) Whether the application is complete, i.e. whether all required entries and supporting documentation are present. The application form shall specify what entries and supporting documentation must be present for the application to be deemed complete;

(iii) Whether the applicant satisfies the income limitation;

(iv) Whether the applicant satisfies the household asset value limitations;

(v) The amount of refund due the applicant in accordance with the limitations stipulated in W.S. 39-13-109(c)(iv)(C).

(f) The Department shall prepare a list of qualifying applicants, together with the amounts of their refunds and submit the report to the State Auditor's Office no later than September 15th of each year for preparation of payments due.

WYOMING DEPARTMENT OF REVENUE

CHAPTER 19

WYOMING PROPERTY TAX ~~RELIEF-REFUND~~ PROGRAM

Section 1. Authority.

These rules are promulgated by the Wyoming Department of Revenue (Department) under the authority of W.S. 16-3-103 and W.S. 39-11-102(b).

Section 2. Purpose.

These rules are intended to supplement W.S. 39-13-109(c)(~~iii~~iv) by implementing standards for establishing income limits and procedures to assist in the administration of the property tax ~~relief~~ refund program set forth in this statute.

Section 3. Definitions. For purposes of this Chapter:

(a.) “Adult” means a person whose age is eighteen (18) years or more.

(b.) “Applicant” means an individual applying for refund under W.S. 39-13-109(c)(~~iii~~iv), stating ownership and occupancy as to his or her principal residence.

(c.) “Calendar year” means the calendar year in which the property tax is billed. Thus it refers to the tax payments which become due on September 1st of the calendar year in which they are billed and on March 1st of the following year.

(d.) “Federal income tax return” means any income tax return filed with the Internal Revenue Service by an individual.

(e.) “Form” means an application approved by the ~~Wyoming Department of Revenue.~~

(f.) “Gross income” means all taxable and nontaxable income received by all adult members of the household from all sources.

(g.) “Household furnishings and personal property” shall be construed to mean all tangible personal property except personal motor vehicles. It shall not include any intangible personal property as defined in W. S. 39-11-101(a)(vii).

(h.) “Household assets” means real property, as defined by W.S. 39-11-101(a)(xv), and intangible and tangible personal property, as defined in W.S. 39-11-101(a)(vii) and (xvi), belonging to the members of the household.

(i.) “Members of the household” means all adults whether or not related by blood or marriage, who reside within the same residence.

(j.) “Personal motor vehicle” means any vehicle that can be used for personal transportation, including, but not limited to: automobiles, light trucks, vans, motorcycles, snowmobiles, all-terrain vehicles, and motor homes. It shall not include trucks with more than two axles, used primarily for commercial transportation of goods.

(k.) “Principal residence” is the primary residence or domicile, the address of which may be reflected on a driver’s license, federal income tax return, and/or voter registration. Portions of said residence used for business purposes are not considered part ~~of~~ the principal residence; property taxes deducted as expenses of the business conducted in the residence shall be excluded from consideration for relief under this program.

(l.) “Refund” means a repayment by the state of property taxes ~~timely~~ paid by the application deadline for the preceding year on an applicant’s principal residence plus land, ~~reduced by the dollar amount of any benefit received from the veterans exemption under W.S. 39-13-105(a), the home owner’s tax credit under W.S. 39-13-109(d)(i), and/or the amount of any property tax deferral under W.S. 39-13-107(b)(iii)(A).~~

(m.) “Resident” means a person who physically lives in Wyoming for more than one-half (1/2) of the year; however, no person shall be deemed to have lost residency by reason of absence on business of the United States, or of the state, or in the military or navel service of the United States. A qualifying resident must satisfy the residency requirement for each of the five (5) years preceding the year of the application for refund under this program.

~~(i.) “~~

(n.) “Taxable and nontaxable income” means all income of all members of the household including, but not limited to:

- (i) Wages;
- (ii) Net self-employment income;
- (iii) Unemployment compensation;
- (iv) Worker’s compensation;
- (v) Lease payments;
- (vi) Net rental income;
- (vii) All interest earnings;
- (viii) Social security income;
- (ix) All retirement plans; and,
- (x) Alimony.

~~(e.) "Timely paid" means a property taxes paid with no chargeable interest.~~

Section 4. Qualifications for Eligibility.

(a) An applicant must have been a resident of the state of Wyoming for a period of not less than five (5) years prior to the year in which he/she applies for a refund under W.S. 39-13-109(c)(~~iii~~iv). For purposes of this provision, the five year period must be continuous. When a joint application is filed because the property is jointly owned, at least one of the joint owners must satisfy this residency requirement.

(b) An ~~A~~applicant must have ~~timely~~ paid the property tax with any applicable interest and penalties, for the preceding calendar year upon the individual's principal residence including the land, on which the residence is located by the application deadline.

(c) An applicant must satisfy the following financial requirements to be eligible for an ~~ad valorem~~ tax refund under the provisions of W.S. 39-13-109(c)(~~iii~~iv);

(i) Total household income, defined as "gross income" in Section 3, above, shall not exceed the greater of ~~one-half (1/2)~~ three-fourths (3/4) of the median gross household income for the applicant's county of residence or of the state, as determined annually by the Economic Analysis Division of the Department of Administration and Information; ~~and;~~

(ii) The value of total household assets, excluding the items listed below, shall not have a value in excess of ~~twenty one-hundred~~ thousand dollars ~~(\$20,000.00)~~ (\$100,000.00) per adult member of the household ~~in 2005, this value shall be as~~ adjusted annually by the statewide average Wyoming cost-of-living index published by the Economic Analysis ~~d~~Division of the Department of Administration and Information.

(iii) Items excluded from household assets are as follows~~;~~:

(A) The ~~house and land~~ value of the home subject to the refund application;

(B) One (1) personal motor vehicle per adult in the household;

(C) Household furnishings and personal property;

(D) Assets held under a bona fide pension plan or individual retirement account;

(E) The cash value of any life insurance policies held~~;~~ and

(F) Assets held in a medical savings account.

Section 5. Application Procedures.

(a) An application must be completed and returned to the County Treasurer or the Department ~~of Revenue~~ on or before the first Monday in June. Any applications submitted after this closing date will be denied. Applicants filed with the County Treasurer shall be forwarded to the Department ~~of Revenue~~ for processing.

(b) A new application under oath, on forms approved by the Department ~~of Revenue~~ must be submitted each year.

(c) Applications must be fully documented each year. Copies of documents attached to the application are part of the application and will not be returned to the applicant.

(d) A timely submitted application may be disqualified for cause. An application which appears to qualify may be disqualified, for example, if proper documentation is not attached.

(e) If an applicant dies after submitting an application, and before the refund payment is made, the refund shall be paid to the decedent's estate.

Section 6. Administrative Procedures.

(a) The Department ~~of Revenue~~ shall prepare and issue application forms for refunds under W.S. 39-13-109(c)(~~iii~~iv) on or before January 15 of each year.

(b) The Department ~~of Revenue~~ shall compute the cost-of-living adjusted limited to the value of non-exempt household assets. The Department shall also maintain information regarding this adjustment for all years of the program.

(c) Annually the Department ~~of Revenue~~ shall obtain the data from the Economic Analysis Division of the Department of Administration and Information regarding the statewide average cost-of-living index and median household income for each county in the state and for the state as a whole.

(d) Annually the Department ~~of Revenue~~ shall compile data regarding the median residential property tax value in each of the counties.

(e) The Department ~~of Revenue personnel~~ shall review all applications for refunds which have been filed in a timely manner, as specified in ~~s~~Section 5(a), above. Applications which are not filed by the due date shall be denied. The review must address the following issues:

(i) Whether the application is filed timely;

(ii) Whether the application is complete, i.e. whether all required entries and supporting documentation are present. The application form shall specify what entries and supporting documentation must be present for the application to be deemed complete~~;~~

(iii) Whether the applicant satisfies the income limitation;

(iv) Whether the applicant satisfies the household asset value limitations;

(v) The amount of refund due the applicant in accordance with the limitations stipulated in W.S. 39-13-109(c)(~~iii~~iv)(C).

(f) The Department ~~of Revenue~~ shall prepare a list of qualifying applicants, together with the amounts of their refunds and submit the report to the State Auditor's Office no later than September 15th of each year for preparation of payments due.

~~(g) The Department of Revenue shall mail refund checks to the applicants no later than September 30th of each year.~~