

DRAFT ONLY  
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INTRODUCTION

HOUSE BILL NO. [BILL NUMBER]

Monthly payment of ad valorem tax on mineral production.

Sponsored by: Representative(s) HDraft

A BILL

for

1 AN ACT relating to ad valorem taxation of mineral  
2 production; providing for monthly payment of ad valorem  
3 taxes on mineral production commencing January 1, 2019;  
4 providing a process for reporting, payment, reconciliation  
5 and distribution of the monthly ad valorem tax; providing  
6 legislative findings; providing a revised payment schedule  
7 for the transition period; and providing for an effective  
8 date.

9

10 *Be It Enacted by the Legislature of the State of Wyoming:*

11

12 **Section 1.** W.S. 39-13-113 is created to read:

13

1           **39-13-113. Monthly payment of ad valorem tax on gross**  
2 **product of mineral production.**

3  
4           (a) Commencing with mineral production on January 1,  
5 2019, this section shall govern the payment of all ad  
6 valorem taxes on the value of the gross product of the  
7 mineral produced. Any provisions of this title that do not  
8 conform to the processes and procedures set forth in this  
9 section and that have not been specifically amended or  
10 repealed by the legislature are superseded by this section.

11  
12           (b) Commencing January 1, 2019, all mineral producers  
13 in the state shall report and pay an ad valorem tax on the  
14 value of the gross product produced, also called the ad  
15 valorem tax on mineral production, on a monthly basis in  
16 the same manner as the severance tax on minerals  
17 established in chapter 14 of this title.

18  
19           (c) Monthly report. Each taxpayer liable for ad  
20 valorem taxes on the value of the gross product produced  
21 shall report monthly to the department in accordance with  
22 the processes and timing governing severance tax set forth  
23 in W.S. 39-14-107(a)(iv) for coal, W.S. 39-14-207(a)(iv)

1 for oil and gas, 39-14-307(a)(iv) for trona, 39-14-  
2 407(a)(iv) for bentonite, 39-15-507(a)(iv) for uranium, 39-  
3 14-607(a)(iv) for sand and gravel and 39-14-707(a)(iv) for  
4 other valuable deposits.

5

6 (d) Ad valorem tax on mineral production. The ad  
7 valorem tax shall be determined by the taxpayer, subject to  
8 review and audit by the department, on a monthly basis by  
9 applying the mill levy rate established by the county  
10 commissioners under W.S. 39-13-102, 39-13-104 and 39-13-107  
11 in the immediately preceding year to the value of the gross  
12 product of the mineral produced, as reported on the monthly  
13 form filed with the department. For monthly reports of the  
14 ad valorem tax on mineral production filed by March 25 of  
15 each year for production in January of that year, the  
16 taxpayer shall use as the basis of the tax the mill levy  
17 rate established by the county commissioners in August of  
18 the preceding year. The same mill levy rate shall be used  
19 for production through the month of June as the basis for  
20 the monthly tax report and payment. After the counties  
21 adopt new mill levy rates in August of each year, the  
22 department shall not later than September 15 of each year  
23 send to each mineral producer a statement that identifies

1 the difference between the mill levy rate in the prior year  
2 and the newly adopted mill levy rate. If the mill levy rate  
3 has increased the statement shall constitute an invoice to  
4 the mineral producer to apply the difference between the  
5 rates to the taxes reported and paid by the producer for  
6 January through June production and pay the increased tax  
7 within thirty (30) days of receipt of the statement. If the  
8 mill levy rate has decreased the producer shall seek a  
9 refund of the taxes overpaid for January through June  
10 production. The mineral producer shall apply the newly  
11 adopted mill levy rate to determine the taxes due on  
12 production from July 1 through June of the following year.

13

14 (e) Distribution. The monthly payment of ad valorem  
15 tax on mineral production as provided in this section shall  
16 be collected by the department on behalf of the county.  
17 Except as otherwise provided in this subsection, the  
18 department shall properly account for the payments received  
19 and distribute the payments promptly in the course of  
20 ordinary business to the county treasurer of the county  
21 where the production occurred. The department shall, on  
22 behalf of the county treasurer, distribute the twenty-five  
23 (25) mills collected under W.S 21-13-102 and the six (6)

1 mills collected under W.S. 21-13-201 to the appropriate  
2 school districts. The department shall also distribute the  
3 twelve (12) mills collected under W.S. 21-13-303 to the  
4 department of education. Nothing in this subsection shall  
5 be deemed to change the distribution of any funds under the  
6 school foundation program as provided in title 21, chapter  
7 13 of the Wyoming statutes.

8

9       **Section 2.** W.S. 39-13-107(b) (i) (D), 39-13-108(b) (i),  
10 39-13-111 by creating a new subsection (c),  
11 39-14-107(b) (ii), 39-14-207(b) (ii), 39-14-307(b) (ii),  
12 39-14-407(b) (ii), 39-14-507(b) (ii), 39-14-607(b) (ii) and  
13 39-14-707(b) (ii) are amended to read:

14

15       **39-13-107. Compliance; collection procedures.**

16

17       (b) The following provisions shall apply to the  
18 payment of taxes, distraint of property and deferral:

19

20       (i) The following shall apply to the payment of  
21 taxes due:

22

1 (D) Except as otherwise provided in W.S.  
2 39-13-113, taxes provided by this act are due and payable  
3 at the office of the county treasurer of the county in  
4 which the taxes are levied. Fifty percent (50%) of the  
5 taxes are due on and after September 1 and payable on and  
6 after November 10 in each year and the remaining fifty  
7 percent (50%) of the taxes are due on and after March 1 and  
8 payable on and after May 10 of the succeeding calendar year  
9 except as hereafter provided. If the entire tax is paid on  
10 or before December 31, no interest or penalty is  
11 chargeable;

12

13 **39-13-108. Enforcement.**

14

15 (b) Interest. The following shall apply:

16

17 (i) Except as otherwise provided in W.S.  
18 39-13-113, taxes provided by this act are due and payable  
19 at the office of the county treasurer of the county in  
20 which the taxes are levied. Fifty percent (50%) of the  
21 taxes are due on and after September 1 and payable on and  
22 after November 10 in each year and the remaining fifty  
23 percent (50%) of the taxes are due on and after March 1 and

1 payable on and after May 10 of the succeeding calendar year  
2 except as hereafter provided. If the entire tax is paid on  
3 or before December 31, no interest or penalty is  
4 chargeable;

5

6 **39-13-111. Distribution.**

7

8 (c) Taxes collected pursuant to W.S. 39-13-113 shall  
9 be distributed as provided in W.S. 39-13-113(e).

10

11 **39-14-107. Compliance; collection procedures.**

12

13 (b) Payment. The following shall apply:

14

15 (ii) Ad valorem taxes provided by this act are  
16 due and payable:

17

18 (A) For the 2018 tax year and all preceding  
19 tax years, at the office of the county treasurer of the  
20 county in which the taxes are levied. Fifty percent (50%)  
21 of the taxes are due on and after September 1 and payable  
22 on and after November 10 in each year and the remaining  
23 fifty percent (50%) of the taxes are due on and after March

1 1 and payable on and after May 10 of the succeeding  
2 calendar year except as hereafter provided. If the entire  
3 tax is paid on or before December 31, no interest or  
4 penalty is chargeable;

5

6 (B) Effective January 1, 2019 for tax year  
7 2019 and each year thereafter, ad valorem taxes are due as  
8 provided in W.S. 39-13-113.

9

10 **39-14-207. Compliance; collection procedures.**

11

12 (b) Payment. The following shall apply:

13

14 (ii) Ad valorem taxes are due and payable:

15

16 (A) For the 2018 tax year and all preceding  
17 tax years, at the office of the county treasurer of the  
18 county in which the taxes are levied. Fifty percent (50%)  
19 of the taxes are due on and after September 1 and payable  
20 on and after November 10 in each year and the remaining  
21 fifty percent (50%) of the taxes are due on and after March  
22 1 and payable on and after May 10 of the succeeding  
23 calendar year except as hereafter provided. If the entire



1 tax is paid on or before December 31, no interest or  
2 penalty is chargeable;

3

4 (B) Effective January 1, 2019 for tax year  
5 2019 and each year thereafter, ad valorem taxes are due as  
6 provided in W.S. 39-13-113.

7

8

9 **39-14-307. Compliance; collection procedures.**

10

11 (b) Payment. The following shall apply:

12

13 (ii) Ad valorem taxes provided by this act are  
14 due and payable:

15

16 (A) For the 2018 tax year and all preceding  
17 tax years, at the office of the county treasurer of the  
18 county in which the taxes are levied. Fifty percent (50%)  
19 of the taxes are due on and after September 1 and payable  
20 on and after November 10 in each year and the remaining  
21 fifty percent (50%) of the taxes are due on and after March  
22 1 and payable on and after May 10 of the succeeding  
23 calendar year except as hereafter provided. If the entire

1 tax is paid on or before December 31, no interest or  
2 penalty is chargeable;

3

4 (B) Effective January 1, 2019 for tax year  
5 2019 and each year thereafter, ad valorem taxes are due as  
6 provided in W.S. 39-13-113.

7

8 **39-14-407. Compliance; collection procedures.**

9

10 (b) Payment. The following shall apply:

11

12 (ii) Ad valorem taxes provided by this act are  
13 due and payable:

14

15 (A) For the 2018 tax year and all preceding  
16 tax years, at the office of the county treasurer of the  
17 county in which the taxes are levied. Fifty percent (50%)  
18 of the taxes are due on and after September 1 and payable  
19 on and after November 10 in each year and the remaining  
20 fifty percent (50%) of the taxes are due on and after March  
21 1 and payable on and after May 10 of the succeeding  
22 calendar year except as hereafter provided. If the entire

1 tax is paid on or before December 31, no interest or  
2 penalty is chargeable;

3

4 (B) Effective January 1, 2019 for tax year  
5 2019 and each year thereafter, ad valorem taxes are due as  
6 provided in W.S. 39-13-113.

7

8 **39-14-507. Compliance; collection procedures.**

9

10 (b) Payment. The following shall apply:

11

12 (ii) Ad valorem taxes provided by this act are  
13 due and payable:

14

15 (A) For the 2018 tax year and all preceding  
16 tax years, at the office of the county treasurer of the  
17 county in which the taxes are levied. Fifty percent (50%)  
18 of the taxes are due on and after September 1 and payable  
19 on and after November 10 in each year and the remaining  
20 fifty percent (50%) of the taxes are due on and after March  
21 1 and payable on and after May 10 of the succeeding  
22 calendar year except as hereafter provided. If the entire

1 tax is paid on or before December 31, no interest or  
2 penalty is chargeable;

3

4 (B) Effective January 1, 2019 for tax year  
5 2019 and each year thereafter, ad valorem taxes are due as  
6 provided in W.S. 39-13-113.

7

8 **39-14-607. Compliance; collection procedures.**

9

10 (b) Payment. The following shall apply:

11

12 (ii) Ad valorem taxes provided by this act are  
13 due and payable:

14

15 (A) For the 2018 tax year and all preceding  
16 tax years, at the office of the county treasurer of the  
17 county in which the taxes are levied. Fifty percent (50%)  
18 of the taxes are due on and after September 1 and payable  
19 on and after November 10 in each year and the remaining  
20 fifty percent (50%) of the taxes are due on and after March  
21 1 and payable on and after May 10 of the succeeding  
22 calendar year except as hereafter provided. If the entire

1 tax is paid on or before December 31, no interest or  
2 penalty is chargeable;

3

4 (B) Effective January 1, 2019 for tax year  
5 2019 and each year thereafter, ad valorem taxes are due as  
6 provided in W.S. 39-13-113.

7

8 **39-14-707. Compliance; collection procedures.**

9

10 (b) Payment. The following shall apply:

11

12 (ii) Ad valorem taxes provided by this act are  
13 due and payable:

14

15 (A) For the 2018 tax year and all preceding  
16 tax years, at the office of the county treasurer of the  
17 county in which the taxes are levied. Fifty percent (50%)  
18 of the taxes are due on and after September 1 and payable  
19 on and after November 10 in each year and the remaining  
20 fifty percent (50%) of the taxes are due on and after March  
21 1 and payable on and after May 10 of the succeeding  
22 calendar year except as hereafter provided. If the entire

1 tax is paid on or before December 31, no interest or  
2 penalty is chargeable;

3

4 (B) Effective January 1, 2019 for tax year  
5 2019 and each year thereafter, ad valorem taxes are due as  
6 provided in W.S. 39-13-113.

7

8 **Section 3.**

9

10 (a) The legislature recognizes that there will be a  
11 transition in calendar years 2019 and 2020 in which mineral  
12 producers will pay the ad valorem tax on mineral  
13 legislation in two (2) ways and in two (2) separate  
14 amounts. The legislature asserts that this is not double  
15 taxation of the same production, it is taxation of two (2)  
16 separate and distinct taxable events. The taxable events  
17 are the taxation of 2018 mineral production which is  
18 payable in 2019 and 2020 under the processes and procedures  
19 prior to the effective date of W.S. 39-13-113 as provided  
20 by this act, and the monthly tax payment of ad valorem  
21 taxes on mineral production beginning January 1, 2019 as  
22 provided by this act. For calendar years 2019 and 2020  
23 only, in addition to the monthly payment of ad valorem tax

1 on mineral production as provided in W.S. 39-13-113 and  
2 commencing with the first reports and payments due March  
3 25, 2019, the legislature recognizes that mineral producers  
4 shall also owe the following pursuant to the processes and  
5 procedures prior to the effective date of W.S. 39-13-113:

6

7 (i) Ad valorem tax on production from calendar  
8 year 2017 of which the second half of the payment is due by  
9 May 10, 2019 unless the entire amount was paid by December  
10 31, 2018;

11

12 (ii) Ad valorem tax on production from 2018.  
13 Notwithstanding W.S. 39-14-107(b)(ii), 39-14-207(b)(ii),  
14 39-14-307(b)(ii), 39-14-407(b)(ii), 39-14-507(b)(ii),  
15 39-14-607(b)(ii) and 39-14-707(b)(ii), ad valorem tax on  
16 production from 2018 shall be due and payable as provided  
17 in this paragraph. Failure to pay any tax due pursuant to  
18 this paragraph shall be subject to interest and penalties  
19 as provided by law:

20

21 (A) The first half of the payment for 2018  
22 production is due by November 10, 2019 pursuant to the

1 processes and procedures prior to the effective date of  
2 this act;

3

4 (B) Notwithstanding W.S. 39-13-113 as  
5 created by this act, the first monthly payment under W.S.  
6 39-13-113 shall be due in September 2019 for July 2019  
7 mineral production;

8

9 (C) Beginning January 1, 2020 mineral  
10 producers shall make double monthly payments each month  
11 under W.S. 39-13-113 to account for the second half of the  
12 payment for 2019 mineral production which would otherwise  
13 be due by May 10, 2020 and to account for the monthly  
14 payments due for mineral production under W.S. 39-13-113  
15 from January 1 through June 30, 2019 which were not made as  
16 provided by subparagraph (B) of this paragraph. Double  
17 payments shall continue until all of the unpaid taxes are  
18 paid.

19

20 **Section 4.** This act is effective July 1, 2016.

21

22

(END)