

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO. [BILL NUMBER]

Severance tax distributions.

Sponsored by: SDraft Committee

A BILL

for

1 AN ACT relating to tax distribution; providing that a
2 portion of the statutory severance tax shall be deposited
3 in the general fund; providing for the transfer of funds
4 from the one percent severance tax account to the budget
5 reserve account as specified; repealing archaic provisions;
6 and providing for effective dates.

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

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10 **Section 1.** W.S. 39-14-801(b) (intro) is amended to
11 read:

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[INTERFUND ~~LOAN~~ TRANSFER]

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Section 322. ~~The state treasurer and the state auditor may utilize interfund loans from the unexpended, unobligated balance of the one percent severance tax account for deposit as of June 30, 2018 shall be transferred~~ to the budget reserve account ~~as necessary to maintain a fund balance of not more than one hundred four million five hundred fifty thousand dollars (\$104,550,000.00) in the budget reserve account on June 30, 2018.~~ No later than September 30, 2018, this transfer shall include any reconciliation of actual severance taxes paid on production through June 30, 2018.

(b) 2017 Wyoming Session Laws, Chapter 120, Section 300(k) is amended to read:

[BUDGET BALANCERS - TRANSFERS]

1 (k) If after the implementation of 2016
2 Wyoming Session Laws, Chapter 31, Section 322, as
3 amended by 2018 [House Bill/Senate File 0000],
4 the unappropriated fund balance of the budget
5 reserve account on June 30, 2018 is less than one
6 hundred four million five hundred fifty thousand
7 dollars (\$104,550,000.00) reduced by any
8 expenditures made under Sections 334 and 335 of
9 this act, there is appropriated up to one hundred
10 four million five hundred fifty thousand dollars
11 (\$104,550,000.00) from the legislative
12 stabilization reserve account to the budget
13 reserve account as necessary so that the
14 unappropriated fund balance of the budget reserve
15 account is one hundred four million five hundred
16 fifty thousand dollars (\$104,550,000.00) reduced
17 by any expenditures made under Sections 334 and
18 335 of this act on June 30, 2018.

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20 **Section 3.** W.S. 39-14-801(b) (i) and (ii) are
21 repealed.

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3 STAFF COMMENT

4 Section 3 repeals W.S. 39-14-801(b)(i) and (ii), which
5 provide:

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7 (b) Before making distributions from the severance
8 tax distribution account under subsections (c) through (e)
9 of this section, an amount equal to two-thirds (2/3) of the
10 amount of tax collected under W.S. 39-14-104(a)(i) and
11 (b)(i) and 39-14-204(a)(i) for the same period shall be
12 deposited into the permanent Wyoming mineral trust fund,
13 except for the period from March 15, 2016 through June 30,
14 2018 these funds shall be deposited as follows:

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16 (i) For distributions made for the period from
17 March 15, 2016 through the end of fiscal year 2016 these
18 funds shall be deposited in the general fund; and

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20 (ii) For fiscal years 2017 and 2018, these funds
21 shall be deposited to the one percent severance tax
22 account.

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24 *****

25 Section 4.

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27 (a) Except as provided in subsection (b) of this
28 section, this act is effective July 1, 2018.

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30 (b) Section 2 of this act is effective immediately
31 upon completion of all acts necessary for a bill to become

1 law as provided by Article 4, Section 8 of the Wyoming
2 Constitution.

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(END)