



WYOMING LEGISLATIVE SERVICE OFFICE

Memorandum

DATE May 19, 2020

TO Members, Joint Revenue Interim Committee

FROM Josh Anderson, Senior Staff Attorney

SUBJECT Review of Recent Revenue Options

The following is a brief summary of revenue options that have been discussed or had bills introduced in recent history and an indication of the related fiscal information to the extent available*.

Revenue Option	Recent Bill Number (if applicable)	Fiscal Impact
Fuel Tax	2020 HB 63 – Fuel Tax	Proposed three cent (\$0.03) fuel tax increase forecasted \$13,380,000.00 per year to the Highway fund.
Corporate Income Tax	2020 HB 64 – National corporate tax recapture	Heavily dependent on the details of the tax – fiscal estimate for this bill was \$23,100,000.00 per year
Income tax	2020 HB 147 – Wyoming income tax act	Heavily dependent on the details of the tax – fiscal estimate for this bill was \$115,200,000.00 per year
Expand sales tax to sales of services	2019 HB 67 – Sales tax revisions. Note that this bill did other things including reduction of the overall sales tax rate and repealing other exemptions to be roughly revenue neutral	Depends on how services are defined. Based on Department of Revenue estimate using comparison with South Dakota: approximately \$114,000,000.00 per year, \$58,00,000.00 of that to the general fund
Remove sales tax exemptions	2019 HB 67 – Sales tax revisions. See note above	Depends on which exemptions are removed. Based on Department of Revenue estimate: approximately \$71,000,000.00 per year, \$36,000,000.00 to general fund.
Increase sales tax rate	2020 HB 169 – Sales and use tax increase.	1% rate increase: approximately \$140,000,000 per year to state general fund and \$63,000,000.00 to locals
Increase to school mills	2019 HB 68 – School funding revenue	Phase in of three mills per year up to nine additional mills – approximately \$104,000,000 per year once the nine mills were phased in.

Tobacco tax increase	2019 HB 218 – Tobacco tax	For this increase of \$1 per pack and related other tax increases: Approximately \$31,800,000.00 per year to the general fund and approximately \$4,000,000.00 to local governments
Wind tax increase	2019 HB 96 – Wind energy production tax	Increase from \$1 to \$5: Approximately \$17,200,000 per year
Alcoholic liquor markup	2018 HB 44 – Alcoholic liquors markup amount	Increase in the markup amount from 17.6% to 20.6%: Approximately \$3,000,000.00 per year.
Increase alcohol taxes	No recent bill introduced, previously discussed by the committee	Currently the state collects just under \$2,000,000.00 per year on all alcohol taxes (malt beverage, wine, direct ship wine and spirits). Doubling the rates would increase that amount to approximately \$4,000,000.00 per year.
Increase property tax assessment ratio	No recent bill introduced, but has recently been discussed by the Committee	Increasing the assessment ratio on "all other property" from 9.5% to 10.5%: approximately \$58,700,000.00 per year.
Increase to severance tax rate	No recent bill introduced.	1% severance tax increase: Approximately \$93,000,000.00 per year.

*All fiscal information was prepared using estimates made prior to any economic impacts from COVID-19.

Should you have further questions or need any additional details regarding this information, please advise.

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