

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

Virtual currency and government operations.

Sponsored by: Representative(s) Andrew

A BILL

for

1 AN ACT relating to sales and use taxes; allowing for the
2 payment of state and local sales and use taxes in virtual
3 currency; allowing for the payment of state and local sales
4 and use taxes and filing of state and local sales and use
5 tax returns through the operation of a smart contract as
6 specified; requiring the state treasurer's office to accept
7 virtual currency donations to state funds as specified;
8 requiring rulemaking; and providing for an effective date.

9

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

11

12 **Section 1.** W.S. 39-15-101 (a) by creating new
13 paragraphs (xlviii) and (xlix), 39-15-102 by creating new

1 subsections (g) through (h), 39-15-107(a)(i), 39-16-101(a)
2 by creating new paragraphs (xxi) and (xxii), 39-16-102 by
3 creating new subsections (f) through (g) and 39-16-107(a)
4 by creating a new paragraph (vii) are amended to read:

5

6 **39-15-101. Definitions.**

7

8 (a) As used in this article:

9

10 (xlviii) "Smart contract" means as defined in W.S.
11 17-31-102(a)(ix);

12

13 (xlix) "Virtual currency" means as defined in W.S.
14 34-29-101(a)(iv).

15

16 **39-15-102. Administration; confidentiality.**

17

18 (g) Any taxpayer or vendor may remit sales tax owed
19 under this article in any virtual currency approved by the
20 department so long as the same virtual currency was used
21 for the sale that gave rise to the sales tax. The
22 department may assess a reasonable transaction fee to cover
23 the cost of exchanging the virtual currency for United

1 States dollars provided that no transaction fee shall be
2 assessed if there is no cost to convert the virtual
3 currency to United States dollars.

4
5 (h) Beginning July 1, 2023 the department shall
6 allow, but not require, payment of sales tax under this
7 article through a smart contract approved by the
8 department. The smart contract shall be capable of
9 providing real time updates and allow for immediate payment
10 of sales taxes as they accrue.

11

12 **39-15-107. Compliance; collection procedures.**

13

14 (a) Returns, reports and preservation of records.
15 The following shall apply:

16

17 (i) Each vendor shall on or before the last day
18 of each month file a true return showing the preceding
19 month's gross sales and remit all taxes to the department.
20 The returns shall contain such information and be made in
21 the manner as the department by regulation prescribes. The
22 department may allow extensions for filing returns and
23 paying the taxes by regulation, but no extension may be for

1 more than ninety (90) days. If the total tax to be remitted
2 by a vendor during any month is less than one hundred fifty
3 dollars (\$150.00), a quarterly or annual return as
4 authorized by the department, and remittance in lieu of the
5 monthly return may be made on or before the last day of the
6 month following the end of the quarter or year for which
7 the tax is collected. If the accounting methods regularly
8 used by any vendor are such that reports of sales made
9 during a calendar month would impose unnecessary hardships,
10 the department after receiving a formal request filed by
11 the vendor may accept reports at intervals as would be more
12 convenient to the taxpayer. Any vendor shall report whether
13 the vendor sells nicotine products, as defined by W.S. 39-
14 18-101(a)(xi), in this state to the department in the form
15 and manner required by the department. The department may
16 reject any report required under this paragraph of any
17 vendor who does not comply with the nicotine sales
18 reporting requirements. Every person purchasing goods or
19 services taxable by this article who does not pay the tax
20 owed to a vendor shall, on or before the last day of each
21 month, file a return showing the gross purchases made
22 during the preceding month and remit all taxes due to the
23 department. The return shall contain such information and

1 be made in the manner as the department shall prescribe by
2 rule and regulation. Beginning July 1, 2023 the department
3 shall accept returns provided through department approved
4 smart contracts which shall include all the information
5 required under this section as of the date of filing. The
6 department, by rule and regulation, may allow an extension
7 for filing a return and paying any tax due, but no
8 extension shall be granted for more than ninety (90) days;

9

10 **39-16-101. Definitions.**

11

12 (a) As used in this article:

13

14 (xxi) "Smart contract" means as defined in W.S.
15 17-31-102(a)(ix);

16

17 (xxii) "Virtual currency" means as defined in
18 W.S. 34-29-101(a)(iv).

19

20 **39-16-102. Administration; confidentiality.**

21

22 (f) Any taxpayer or vendor may remit use tax owed
23 under this article in any virtual currency approved by the

1 department so long as the same virtual currency was used to
2 pay for the activity that gave rise to the use tax. so long
3 as the same virtual currency was used for the underlying
4 purchase. The department may assess a reasonable
5 transaction fee to cover the cost of exchanging the virtual
6 currency for United States dollars provided that no
7 transaction fee shall be assessed if there is no cost to
8 convert the virtual currency to United States dollars.

9
10 (g) Beginning July 1, 2023 the department shall
11 allow, but not require, payment of use tax under this
12 article through a smart contract approved by the
13 department. The smart contract shall be capable of
14 providing real time updates and allow for immediate payment
15 of use taxes as they accrue.

16
17 **39-16-107. Compliance; collection procedures.**

18
19 (a) Returns, reports and preservation of records.
20 The following shall apply:

21
22 (vii) Beginning July 1, 2023 the department
23 shall accept returns provided through department approved

1 smart contracts which shall include all the information
2 required under this section as of the date of filing.

3

4 **Section 2.** Not later than June 1, 2023 the state
5 treasurer's office shall develop the capacity to accept
6 donations in virtual currency approved by the department of
7 revenue pursuant to W.S. 39-15-102(a) or 39-16-102(a) and
8 as allowed by law to each of the following funds, and in
9 additional funds as donations make necessary:

10

11 (i) XXXXXXXXXXXX;

12

13 *****
14 *****
15 **STAFF COMMENT**
16 **The specific funds to accept donations will need to be**
17 **determined.**
18 *****
19 *****
20

21 **Section 3.** Not later than June 1, 2023 the department
22 of revenue shall develop and implement a software system
23 through which sales and use taxes may be paid and tax
24 returns filed through the operation of smart contracts. The
25 system shall include an application programming interface,
26 security measures and other components determined by the

1 department of revenue to be necessary for the safe, secure
 2 and efficient collection and reporting of taxes. The
 3 department of revenue shall promulgate rules establishing
 4 the minimum standards required of and an approval process
 5 for any smart contract.

6

7 *****
 8 *****

9 STAFF COMMENT

10 This draft appropriates two million dollars for the
 11 development of a system by the department of revenue
 12 allowing for the collection of taxes and use of smart
 13 contracts required by this act. This amount is merely a
 14 placeholder and the actual amount necessary may be
 15 significantly different.

16 *****
 17 *****

18

19 **Section 4.** There is appropriated two million
 20 (\$2,000,000.00) dollars from the general fund to the
 21 department of revenue to develop and implement the software
 22 system required under this act. This appropriation shall
 23 not be transferred or expended for any other purpose and
 24 any unexpended, unobligated funds remaining from this
 25 appropriation shall revert as provided by law on June 30,
 26 2024.

27

28 **Section 5.** This act is effective July 1, 2022.

1

2

(END)