

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO. [BILL NUMBER]

Tax reform 2025.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to taxation and revenue; establishing a
2 property tax exemption for single family residential
3 properties; increasing the tax exemption for business
4 property; reducing the tax assessment rate for industrial
5 properties; reducing the severance tax rate for surface
6 coal; providing for a renter's refund program; providing a
7 sales and use tax to provide funding to replace revenue due
8 to tax reductions in the bill; providing for the
9 distribution of the sales and use tax; creating an account;
10 revising provisions related to local sales and use taxes;
11 repealing provisions related to the property tax refund
12 program; requiring rulemaking; specifying applicability;
13 providing an appropriation; requiring a study by the joint

1 revenue interim committee; and providing for an effective
2 date.

3

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

5

6 **Section** **1.** W.S. 39-11-101(a) (xvii) (B),
7 39-11-105(a) (xlii) and by creating a new paragraph (xlvi),
8 39-13-103(b) (iii) (B), 39-13-109(c) by creating a new
9 paragraph (vii), 39-14-104(a) (iv), 39-14-111(a), 39-15-104
10 by creating a new subsection (j), 39-15-111(b) (intro) and
11 by creating a new subsection (r), 39-15-203(a) (i) (intro),
12 (A), (E) (intro) and (F) (intro), 39-16-104 by creating a new
13 subsection (g), 39-16-111(b) (intro) and
14 39-16-203(a) (i) (intro), (A), (E) (intro) and (F) (intro) are
15 amended to read:

16

17 **39-11-101. Definitions.**

18

19 (a) As used in this act unless otherwise specifically
20 provided:

21

1 (xvii) "Taxable value" means a percent of the
2 fair market value of property in a particular class as
3 follows:

4
5 (B) Property used for industrial purposes,
6 ~~eleven and one-half percent (11.5%)~~ nine and one-half
7 percent (9.5%);

8

9 **39-11-105. Exemptions.**

10

11 (a) The following property is exempt from property
12 taxation:

13

14 (xlii) If a person owns ~~two thousand four~~
15 ~~hundred dollars (\$2,400.00)~~ fifty thousand dollars
16 (\$50,000.00) or less in fair market value of business
17 property in one (1) county, the business property shall be
18 exempt as de minimis business property. As used in this
19 paragraph, "business property" means taxable personal
20 property excluding any property that is exempt under W.S.
21 39-11-105(a)(xi) as personal property held for personal or
22 family use.

23

1 (xlvii) A portion of the fair market value of
2 single family residential properties. The following shall
3 apply to the exemption under this paragraph:

4
5 (A) The amount of the exemption under this
6 paragraph shall be the first two hundred thousand dollars
7 (\$200,000.00) of fair market value of the single family
8 residential property in tax year 2025 and the first one
9 million dollars (\$1,000,000.00) of fair market value of the
10 single family residential property for each tax year
11 thereafter. The amount of the exemption under this
12 subparagraph shall be inflated on an annual basis beginning
13 in tax year 2027 from one million dollars (\$1,000,000.00)
14 by the rate of inflation determined by the department using
15 the consumer price index or its successor index of the
16 United States department of labor, bureau of labor
17 statistics or two percent (2%), whichever is less. This
18 exemption shall only apply to property owners who reside
19 within the state not less than six (6) months of the year
20 for which the exemption is claimed;

21
22 (B) The department shall adopt rules
23 necessary to administer the exemption under this paragraph;

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(C) As used in this paragraph, "single family residential property" means a structure intended for human habitation including a house, modular home, mobile home, townhouse or condominium that is a privately owned single family dwelling unit. "Single family residential property" includes the associated improved land as long as the land is not used for commercial, industrial or agricultural purposes.

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39-13-103. Imposition.

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13

(b) Basis of tax. The following shall apply:

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(iii) Beginning January 1, 1989, "taxable value" means a percent of the fair market value of property in a particular class as follows:

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21

(B) Property used for industrial purposes, ~~eleven and one-half percent (11.5%)~~ nine and one-half percent (9.5%);

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23

39-13-109. Taxpayer remedies.

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(c) Refunds. The following shall apply:

(vii) The following shall apply to the renter's refund program:

(A) Subject to subparagraph (B) of this paragraph, an person who was a resident in this state for the applicable taxable year is allowed a refund of not more than ten percent (10%) of the gross rent paid by the person as rent that constitutes property taxes, not to exceed the following limits based on the gross household income of the person's household:

(I) If the gross household income of the person's household is not more than fifty percent (50%) of the median gross household income of the county where the person resides, the maximum refund shall be one thousand dollars (\$1,000.00);

(II) If the gross household income of the person's household is more than fifty percent (50%) and not more than seventy-five percent (75%) of the median

1 gross household income of the county where the person
2 resides, the maximum refund shall be six hundred fifty
3 dollars (\$650.00);

4
5 (III) If the gross household income of
6 the person's household is more than seventy-five percent
7 (75%) and not more than one hundred percent (100%) of the
8 median gross household income of the county where the
9 person resides, the maximum refund shall be three hundred
10 dollars (\$300.00);

11
12 (IV) If the gross household income of
13 the person's household is more than one hundred percent
14 (100%) and not more than one hundred twenty-five percent
15 (125%) of the median gross household income of the county
16 where the person resides, the maximum refund shall be one
17 hundred fifty dollars (\$150.00);

18
19 (V) No refund shall be provided if the
20 gross household income of the person's household is more
21 than one hundred twenty-five percent (125%) of the median
22 gross household income of the county where the person
23 resides.

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(B) The department shall annually adjust the refund amounts under subparagraph (A) of this paragraph based on the consumer price index. Refunds shall only be provided under this paragraph to the extent funds are available from amounts appropriated for that purpose. If appropriated funds are insufficient to provide refunds to each qualified person under this paragraph, refunds shall be provided on a first-come, first-served basis as determined by the department based on the date and time that a completed approved application is submitted;

(C) Each owner or managing agent of any property for which rent is paid for occupancy as a renter's principal residence shall not later than February 1 of the year following the year the rent was paid provide a certificate of rent paid to the renter in the form required by the department. The department may require the owner or managing agent to provide the department a copy of the certificate of rent paid;

(D) To qualify for a refund under this paragraph, a person shall apply to the department on forms

1 required by the department. If more than one (1) person
2 could qualify for a refund under this paragraph for the
3 same principal residence, only one (1) person may apply for
4 and receive the refund. No refund shall be allowed under
5 this paragraph for any rent paid for a principal residence
6 outside of Wyoming or for any rent that is paid by a state
7 or federal aid program as determined by the department. Any
8 refund under this paragraph shall be paid by the department
9 not later than May 1 of the calendar year following the
10 year the rent was paid;

11

12 (E) The department shall adopt rules
13 necessary to administer the refund program under this
14 paragraph;

15

16 (F) As used in this paragraph:

17

18 (I) "Gross rent" means rent paid for
19 the right of occupancy, at arm's length, for the principal
20 residence of a person. If a person is a resident of a
21 nursing home, intermediate care facility or other facility
22 where medical services are furnished to the person, whether
23 or not the cost for the primary residence is billed

1 separately from medical services provided at the facility,
2 the gross rent for that facility shall be deemed to be six
3 hundred dollars (\$600.00) per month. If the rent paid for
4 occupancy is not an arm's length transaction, the
5 department may adjust the gross rent to a reasonable market
6 rate as determined by the department for purposes of this
7 paragraph;

8
9 (II) "Principal residence" means
10 property that is occupied by a person as their home for not
11 less than nine (9) months of the applicable tax year.

12
13 **39-14-104. Tax rate.**

14
15 (a) The total severance tax rate for surface coal
16 shall be ~~six and one-half percent (6.5%)~~ six percent (6%).
17 This rate comprises one and one-half percent (1.5%) imposed
18 by Wyoming constitution article 15, section 19, and ~~five~~
19 ~~percent (5%)~~ four and one-half percent (4.5%) imposed
20 statutorily. The tax shall be distributed as provided in
21 W.S. 39-14-111 and is imposed as follows:

22

1 (iv) ~~One and one-half percent (1.5%)~~ One percent
2 (1%); plus
3

4 **39-14-111. Distribution.**
5

6 (a) As provided by W.S. 39-14-104(a), the total
7 severance tax rate for surface coal shall be ~~six and one-~~
8 ~~half percent (6.5%)~~ six percent (6%). As provided by W.S.
9 39-14-104(b), the total severance tax rate for underground
10 coal shall be three and three-quarters percent (3.75%). A
11 one and one-half percent (1.5%) tax imposed by W.S. 39-14-
12 104(a)(i) and a one and one-half percent (1.5%) tax imposed
13 by W.S. 39-14-104(b)(i) shall be deposited into the
14 permanent Wyoming mineral trust fund. All other taxes
15 imposed by W.S. 39-14-104(a) and (b) shall be deposited
16 into the severance tax distribution account.
17

18 **39-15-104. Taxation rate.**
19

20 (j) In addition to the sales tax under subsections
21 (a) and (b) of this section, beginning July 1, 2025 there
22 is imposed an additional sales tax of two percent (2%) that
23 shall be administered as if the sales tax rate under

1 subsections (a) and (b) of this section was increased from
2 four percent (4%) to six percent (6%). The revenue from the
3 two percent (2%) tax under this subsection shall be
4 distributed as provided in W.S. 39-15-111(r).

5
6 **39-15-111. Distribution.**

7
8 (b) Revenues earned under W.S. 39-15-104 during each
9 fiscal year shall be recognized as revenue during that
10 fiscal year for accounting purposes. Except as otherwise
11 provided in ~~subsection (p)~~ subsections (p) and (r) of this
12 section, for all revenue collected by the department under
13 W.S. 39-15-104 the department shall:

14
15 (r) An amount equal to the tax revenue collected that
16 is attributable to the tax under W.S. 39-15-104(j) and
17 39-16-104(g) shall be transferred to the property tax
18 reduction and replacement account, which is hereby created.
19 All funds within the account shall be invested by the state
20 treasurer and all investment earnings from the account
21 shall be credited to the account. An amount in the account
22 equal to the tax revenue collected that is attributable to
23 the tax under W.S. 39-15-104(j) and 39-16-104(g) from

1 January 1 of each year through December 31 of each year
2 shall be distributed as follows:

3
4 (i) An amount to each county equal to the
5 certified exemptions granted in the county under W.S. 39-
6 11-105(a)(xlvi) during the prior tax year, to be
7 distributed by county treasurers in the same manner
8 property taxes are distributed. On or before September 1,
9 county treasurers shall certify the exemptions granted
10 under W.S. 39-11-105(a)(xlvi) to the department. If the
11 amount available to distribute under this subsection is
12 insufficient to fully reimburse each county and
13 governmental entity in the county as provided in this
14 paragraph, the amount provided to each county shall be
15 proportionally reduced based on the amount of revenue
16 available. The amount calculated for each county shall be
17 determined and distributed not later than February 15 of
18 each year based on the amount of revenue that the county
19 and each governmental entity within the county lost in the
20 immediately preceding year as a result of the property tax
21 exemption under W.S. 39-11-105(a)(xlvi). Beginning January
22 1, 2027, the amount calculated for a county under this

1 paragraph shall not include any amount for mills that are
2 assessed for the repayment of bonds;

3

4 (ii) Any amount remaining after the
5 distributions in paragraph (i) of this subsection shall be
6 deposited in the account. The legislature shall annually
7 review the amounts remaining in the account and shall
8 consider using any remaining funds in the account for
9 direct distributions to local governments.

10

11 **39-15-203. Imposition.**

12

13 (a) Taxable event. The following shall apply:

14

15 (i) Unless terminated by an election to rescind
16 the tax conducted subject to subparagraphs (B) through (D)
17 of this paragraph, a general purpose tax of one percent
18 (1%) shall be imposed in each county under W.S.
19 39-15-204(a)(i). The following provisions apply to
20 imposition of the general purpose excise tax under W.S.
21 39-15-204(a)(i):

22

1 (A) Except for the one percent (1%) tax
2 that shall be imposed as provided in paragraph (i) of this
3 subsection, unless terminated, and except as provided by
4 subparagraph (F) of this paragraph, no tax shall be imposed
5 under W.S. 39-15-204(a)(i) until the proposition to impose
6 the taxes is submitted to the vote of the qualified
7 electors of the county, and a majority of those casting
8 their ballots vote in favor of imposing the taxes. If a
9 county seeks to increase a tax rate above one percent (1%)
10 or to increase a tax rate previously approved by the
11 qualified electors of the county that increase shall be
12 separately proposed and voted upon, provided that the total
13 amount of the separate propositions is subject to the
14 limitations specified in W.S. 39-15-204(a)(i) and (iv). A
15 county may impose both taxes authorized in W.S. 39-15-
16 204(a)(i) and (ii), but the proposition to impose each tax
17 also shall be individually stated and voted upon. Except as
18 otherwise provided, excise taxes imposed under this
19 paragraph shall commence as provided by W.S. 39-15-207(c)
20 following the election approving the imposition of the tax;

21

22 (E) If the proposition is approved by the
23 qualified electors or under subparagraph (F) of this

1 paragraph, and for the one percent (1%) tax imposed under
2 paragraph (i) of this subsection, unless terminated, the
3 board of county commissioners shall by ordinance impose an
4 excise tax upon retail sales of tangible personal property,
5 admissions and services. The board of county commissioners
6 or the city or town council shall adopt an ordinance for
7 the tax authorized by W.S. 39-15-204(a)(i). The ordinance
8 shall include the following:

9

10 (F) For any tax or portion of the tax that
11 was required to be submitted to the vote of the qualified
12 electors under subparagraph (A) of this paragraph, in lieu
13 of the requirements of subparagraph (C) of this paragraph
14 providing for the submission of the proposition at
15 subsequent elections, the tax authorized under W.S. 39-15-
16 204(a)(i) may be continued by an election or by a
17 resolution as provided in this subparagraph. For the tax to
18 be continued by an election, the county commissioners, with
19 the concurrence of the governing bodies of fifty percent
20 (50%) of the municipalities, shall submit a proposition to
21 the voters establishing the term of the tax as permanent.
22 The proposition under this subparagraph shall be submitted
23 in the same manner as a proposition to impose the tax under

1 subparagraph (C) of this paragraph provided that the
2 proposition shall be submitted as a separate question at
3 the same election with a proposition to impose or continue
4 the tax under subparagraph (C) of this paragraph. The tax
5 may be continued by resolution, subject to the following
6 terms and conditions:

7

8 **39-16-104. Taxation rate.**

9

10 (g) In addition to the use tax under subsections (a)
11 and (b) of this section, beginning July 1, 2025 there is
12 imposed an additional use tax of two percent (2%) that
13 shall be administered as if the use tax rate under
14 subsections (a) and (b) of this section was increased from
15 four percent (4%) to six percent (6%). The revenue from the
16 two percent (2%) tax under this subsection shall be
17 administered as provided in W.S. 39-15-111(r).

18

19 **39-16-111. Distribution.**

20

21 (b) Revenues earned under this article during each
22 fiscal year shall be recognized as revenue during that
23 fiscal year for accounting purposes. Except as provided in

1 W.S. 39-15-111(r) for revenue attributable to the tax under
2 W.S. 39-16-104(g), revenue collected by the department from
3 the taxes imposed by this article shall be transferred to
4 the state treasurer who shall, as specified by the
5 department:

6

7 **39-16-203. Imposition.**

8

9 (a) Taxable event. The following shall apply:

10

11 (i) Unless terminated by an election to rescind
12 the tax conducted subject to subparagraphs (B) through (D)
13 of this paragraph, a general purpose tax of one percent
14 (1%) shall be imposed in each county under W.S.
15 39-16-204(a)(i). The following provisions apply to
16 imposition of the general purpose excise tax under W.S.
17 39-16-204(a)(i):

18

19 (A) Except for the one percent (1%) tax
20 that shall be imposed as provided in paragraph (i) of this
21 subsection, unless terminated, and except as provided by
22 subparagraph (F) of this paragraph, no tax shall be imposed
23 under W.S. 39-16-204(a)(i) until the proposition to impose

1 the taxes is submitted to the vote of the qualified
2 electors of the county, and a majority of those casting
3 their ballots vote in favor of imposing the taxes. If a
4 county seeks to increase a tax rate above one percent (1%)
5 or to increase a tax rate previously approved by the
6 qualified electors of the county that increase shall be
7 separately proposed and voted upon, provided that the total
8 amount of the separate propositions is subject to the
9 limitations specified in W.S. 39-16-204(a)(i) and (iii). A
10 county may impose both taxes authorized in W.S. 39-16-
11 204(a)(i) and (ii), but the proposition to impose each tax
12 also shall be individually stated and voted upon. Except as
13 otherwise provided, excise taxes imposed under this
14 paragraph shall commence as provided by W.S. 39-16-207(c)
15 following the election approving the imposition of the tax;

16

17 (E) If the proposition is approved by the
18 qualified electors or under subparagraph (F) of this
19 paragraph, and for the one percent (1%) tax imposed under
20 paragraph (i) of this subsection, unless terminated, the
21 board of county commissioners shall by ordinance impose an
22 excise tax upon services and upon sales and storage, use
23 and consumption of tangible personal property. The board of

1 county commissioners shall adopt an ordinance for the tax
2 authorized by W.S. 39-16-204(a)(i). The ordinance shall
3 include the following:

4
5 (F) For any tax or portion of the tax that
6 was required to be submitted to the vote of the qualified
7 electors under subparagraph (A) of this paragraph, in lieu
8 of the requirements of subparagraph (C) of this paragraph
9 providing for the submission of the proposition at
10 subsequent elections, the tax authorized under W.S. 39-16-
11 204(a)(i) may be continued by an election or by a
12 resolution as provided in this subparagraph. For the tax to
13 be continued by an election, the county commissioners, with
14 the concurrence of the governing bodies of fifty percent
15 (50%) of the municipalities, shall submit a proposition to
16 the voters establishing the term of the tax as permanent.
17 The proposition under this subparagraph shall be submitted
18 in the same manner as a proposition to impose the tax under
19 subparagraph (C) of this paragraph provided that the
20 proposition shall be submitted as a separate question at
21 the same election with a proposition to impose or continue
22 the tax under subparagraph (C) of this paragraph. The tax

1 may be continued by resolution, subject to the following
2 terms and conditions:

3

4 **Section 2.** W.S. 39-13-109(c) (v) and (vi) are
5 repealed.

6

7 **Section 3.** The department of revenue shall adopt
8 rules necessary to implement this act not later than
9 January 1, 2026.

10

11 **Section 4.** There is appropriated X dollars (\$X.00) to
12 the department of revenue from the general fund for
13 purposes of providing refunds under the renter's refund
14 program as provided in W.S. 39-13-109(c) (vii).

15

16 **Section 5.**

17

18 (a) The property tax exemption provided by W.S.
19 39-11-105(a) (xlvi) shall first apply to the tax year
20 beginning January 1, 2025.

21

22 (b) The property tax refund program and optional
23 county property tax refund program repealed by section 2 of

1 this act shall not be effective for the tax year beginning
2 January 1, 2025 or thereafter.

3

4 (c) The following shall apply to the county sales and
5 use tax under W.S. 39-15-203(a)(i) and 39-16-203(a)(i):

6

7 (i) For any county that imposed an optional tax
8 under W.S. 39-15-203(a)(i) or 39-16-203(a)(i) prior to the
9 effective date of this act, that tax shall remain in effect
10 until the next date that the tax is due to be renewed
11 pursuant to W.S. 39-15-203(a)(i)(C) or 39-16-203(a)(i)(C).
12 At that time, the tax under W.S. 39-15-203(a)(i) and
13 39-16-203(a)(i) shall be imposed unless terminated as
14 provided in that paragraph;

15

16 (ii) For any county that did not impose an
17 optional tax under W.S. 39-15-203(a)(i) or 39-16-203(a)(i)
18 prior to the effective date of this act, the tax under W.S.
19 39-15-203(a)(i) and 39-16-203(a)(i) shall be imposed
20 beginning July 1, 2026 unless terminated as provided in
21 those paragraphs.

22

1 **Section 6.** The joint revenue interim committee shall
2 study the impacts of this act during the 2025 interim,
3 seeking input from the department of revenue, University of
4 Wyoming and the department of administration and
5 information, division of economic analysis.

6

7 **Section 7.** This act is effective immediately upon
8 completion of all acts necessary for a bill to become law
9 as provided by Article 4, Section 8 of the Wyoming
10 Constitution.

11

12

(END)