

Wyoming Statutory Tax Structure: Title 39



STATE *of* WYOMING LEGISLATURE

◆ June 3, 2025 ◆

Tax Chapters

- ♦ Chapter 11 – Administration
- ♦ Chapter 12 – Income Tax
- ♦ Chapter 13 – Ad Valorem Taxation (Property tax)
- ♦ Chapter 14 – Mine Product Taxes
- ♦ Chapter 15 – Sales Tax
- ♦ Chapter 16 – Use Tax
- ♦ Chapter 17 – Fuel Tax
- ♦ Chapter 18 – Cigarette Tax
- ♦ Chapter 19 – Inheritance Taxes
- ♦ Chapter 22 – Tax upon Production of Electricity from Wind Resources
- ♦ Chapter 23 – Tax upon Production of Electricity from Nuclear Reactors



Sections Under Every Chapter

- ♦ **101 – Definitions**
- ♦ **102 – Administration**
- ♦ **103 – Imposition of Tax**
 - (a) Taxable event
 - (b) Basis of Tax
 - (c) Taxpayer
- ♦ **104 – Taxation rate**
- ♦ **105 – Exemptions**
- ♦ **106 – Licenses/permits**
- ♦ **107 – Compliance; collection procedures**
 - (a) Returns, reports
 - (b) Payment
 - (c) Timelines



Sections Under Every Chapter Continued

- ♦ **108 – Enforcement**
 - (a) Audits
 - (b) Interest
 - (c) Penalties
 - (d) Liens
 - (e) Tax sales
- ♦ **109 – Taxpayer remedies**
 - (a) Interpretation requests
 - (b) Appeals
 - (c) Refunds
 - (d) Credits
 - (e) Redemption
 - (f) Escrow
- ♦ **110 – Statute of limitations**
- ♦ **111 – Distribution**
- ♦ **If there is nothing applicable the section will be included and will state “There are no specific applicable provisions”**

Some Exceptions/Highlights

- ♦ **39-11-102.1 – State board of equalization**
- ♦ **Chapter 12 – Income tax**
 - **Not follow section format**
- ♦ **Chapter 13 – Ad Valorem Taxation**
 - **39-13-113 – Monthly payment of ad valorem tax on Mineral Production**
- ♦ **Chapter 14 – Mine Product Taxes**
 - **Article 1 – Coal**
 - **Article 2 – Oil and Gas**
- ♦ **Chapter 15 – Sales tax**
 - **Article 4 – Streamlined sales tax**
 - **Article 5 – Sales from remote sellers**



Other tax considerations

- ♦ Title 12 – Alcohol tax
- ♦ Article 15 of Wyoming Constitution
 - Section 4 – Limit of four mills statewide
 - Section 11 – Uniformity of Assessment
 - Minerals - 100% - 39-13-103(b)(iii)(A)
 - Industrial property – 11.5% - 39-13-103(b)(iii)(B)
 - Residential property – 2024 Amendment A
 - All other property – 9.5% - 39-13-103(b)(iii)(C)
- ♦ Section 18 – Tax on income



Additional Resources

- ♦ **Significant Statutory Changes Affecting State Taxation - 1977 through 2024**
- ♦ **Mineral Tax History & Incentives - 1969 through 2024**





Wyoming Taxation Rates and Collections

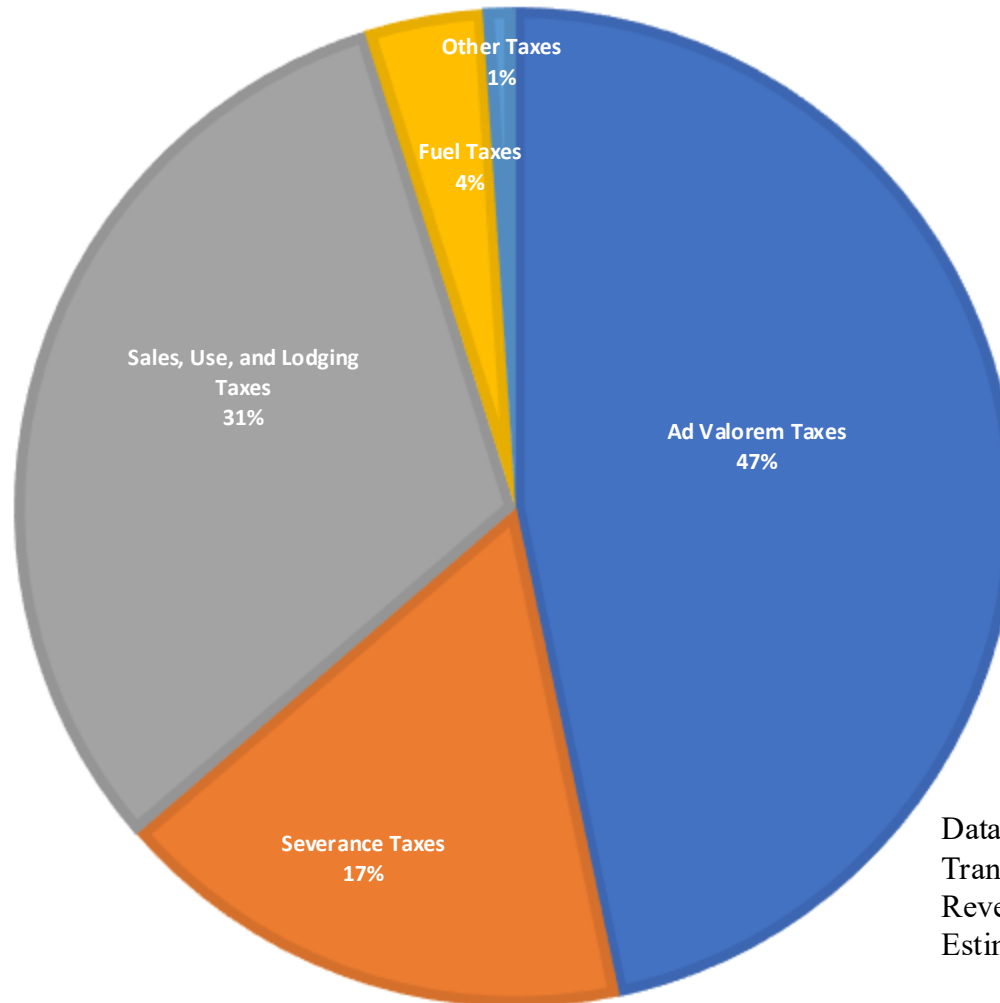


Wyoming Tax Rates and Collections

<u>Tax</u>	<u>FY25 / Most Recent Base Rate</u>	<u>FY24 Collections</u>
Individual Income Tax	0% (Note Art. 15, Sec. 18)	\$0
Corporate Income Tax	0% (Note Art. 15, Sec. 18)	\$0
Property Tax	Weighted average levy in municipalities: 69.748 (*tax year 2024, FY25)	*\$2.057 billion
Assessments:	100% mining; 11.5% industrial; 9.5% "all other"	
Severance Tax	Total:	\$748.3 million
Gas	6%	\$167.6 million
Coal*	6.5% surface/3.75% underground	\$137.1 million
Oil	6%	\$417.0 million
Trona	4%	\$23.7 million
Uranium and Other Valuable Deposits (Bentonite, Sand & Gravel, et al)	0% - 5% Uranium (2021 – 2025); 2% Other valuable deposits	\$2.9 million
Sales Tax	4% statewide; 0-3% local option	\$1,199.5 million
Use Tax	4% statewide; 0-3% local option	\$123.7 million
Lodging	3% statewide; 0-4% statewide	\$63.8 million
Gasoline	\$0.24/gal	\$77.9 million
Special Fuels	\$0.24/gal	\$91.4 million
Cigarette	\$0.60/pack	\$11.7 million
Tobacco products	20% of wholesale price or 10% of retail price, plus 60 cents per ounce on moist snuff	\$6.7 million
E. Cigarettes and vapor material	15% of wholesale price or 7.5% of retail price (effective 07/01/20)	Included above
Liquor	(license fees, excise taxes and & up to 17.6% profit on liquor sales of wine and spirits)	\$21.2 million
Wind Generation Tax	\$1.00/megawatt hour produced (tax begins 3 years after turbine first produces electricity)	\$4.4 million

*2025 Session Law, Chapter 31, lowered the severance tax rate on surface coal from 6.5% to 6.0% effective July 1, 2025

Contributions of Various Taxes – FY24



Data Sources: Department of Transportation, Department of Revenue, and Consensus Revenue Estimating Group reports.



Introduction to Issues of Imposition

- ♦ The basis of a Wyoming tax can be the following:
 - Volume-based
 - fuel taxes, liquor taxes, wind generation tax, cigarette tax
 - Observable transaction or event
 - sales and use taxes, some property and severance taxes
 - Imputed value
 - residential, commercial, industrial, and agricultural property
 - producer-processed natural gas



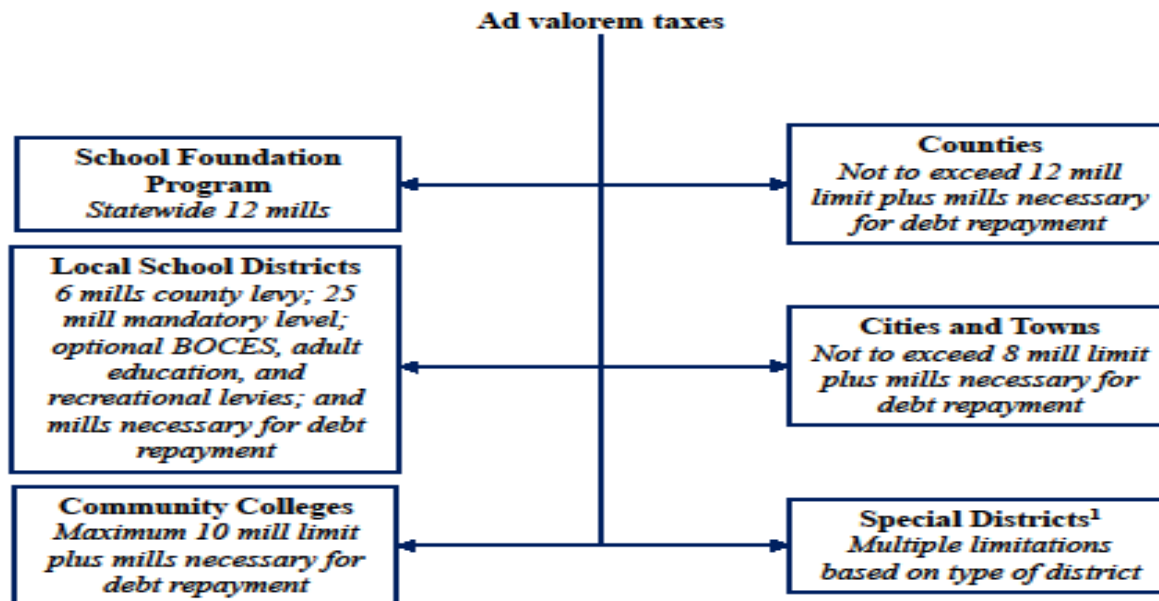
Distributions: Where it all goes

- ♦ Each tax has its own distribution, generally found in Section “111” of each tax Article. They range from very simple, e.g., all liquor taxes are directed to the State’s General Fund, to much more complex two or three stage formulas, e.g., distribution of severance taxes.
- ♦ Variables used for various distributions at the local level have included base payments, population, point of sale, land area, miles of road, area wealth, etc.



**Distribution for FY2025
Ad Valorem Taxes
W.S. 39-13-104**

Ad valorem taxes are not collected, pooled, and distributed similar to many other major revenue sources. Therefore, this graphic shows the potential imposition (tax rate = mill levy), rather than distribution, of property taxes.



¹Pursuant to W.S. 39-13-104(e) and (f), special districts include hospital (6 mill max.), cemetery (3 mill max.), fire protection (3 mill max.), sanitary and improvement (1 mill max.), museum (1 mill max.), solid waste removal (3 mill max.), weed and pest (2 mill max.), water and sewer (8 mill max.), water conservancy (1 mill max.), rural health care (4 mill max.), soil and water conservation (1 mill max.), senior citizen services (2 mill max.), senior health care (2 mill max.), flood control (12 mill max.), and rural county (1 mill max.) districts.

Estimated Distribution for FY2025 Severance Taxes W.S. 39-14-801

Severance taxes are paid by extractive industries to the State of Wyoming for the privilege of removing, extracting, severing, or producing any mineral pursuant to W.S. 39-14-101 through 711. Severance tax rates imposed are between two percent and seven percent. Collected funds are distributed pursuant to W.S. 39-14-801. The state received \$748.3 million in severance taxes in FY 2024.

Constitutional 1.5% Severance Tax *Article 15, Section 19*

**Permanent Wyoming
Mineral Trust Fund**
FY2025 = \$165.1 million

*1/2 of the amount goes to
the Permanent Wyoming
Mineral Trust Fund
FY2025 = \$55.1 million*

FY 2025^{1,3}
*Amount equal to 2/3 of the
Constitutional 1.5% Severance Tax*

*1/2 of the amount goes to the
Common School Account in the
Permanent Land Fund
FY2025 = \$55.1 million*

Statutory 1% Severance Tax

**Leaking
Underground
Storage Tank
(LUST) Program
Account²**
*Amount equal to
\$0.01 of the fuel tax
FY2025 = \$9.3 million*

Distribution of all "Other Statutory" severance tax up to \$155 million

General Fund	62.26%	\$96,503,000
Water I, Water II, Water III	15.05%	\$23,327,500
Cities/Towns	9.25%	\$14,337,500
Highway Fund	4.33%	\$6,711,500
Counties	3.88%	\$6,014,000
County Road Construction Fund	2.90%	\$4,495,000
Cities, Town, and Counties Cap Con...		\$3,611,500

Severance taxes over \$155 million

** 2/3 of the amount
goes to the Budget
Reserve Account
FY2025 = \$160.7
million*

*1/3 of the amount
goes to the
General Fund
FY2025 = \$80.4
million*

Severance taxes over \$402.2 million in FY2025⁴

*1/3 of the amount
goes to the
General Fund
FY2025 = \$0.0
million*

*1/3 of the amount goes to
the School Foundation
Program Reserve Account
FY2025 = \$0.0 million*

*1/3 of the amount goes to
the Budget Reserve
Account
FY2025 = \$0.0 million*

¹The "2/3 equivalent" of the Constitutional Severance Tax diversion references severance tax amounts received from surface and underground coal (W.S. 39-14-104(a)(i) and (b)(i)) and from oil and gas (W.S. 35-14-204(a)(i)).

²This amount is "swapped" with a like amount of fuel tax, meaning the gas tax is directed to WYDOT and the severance tax is directed to the LUST account.

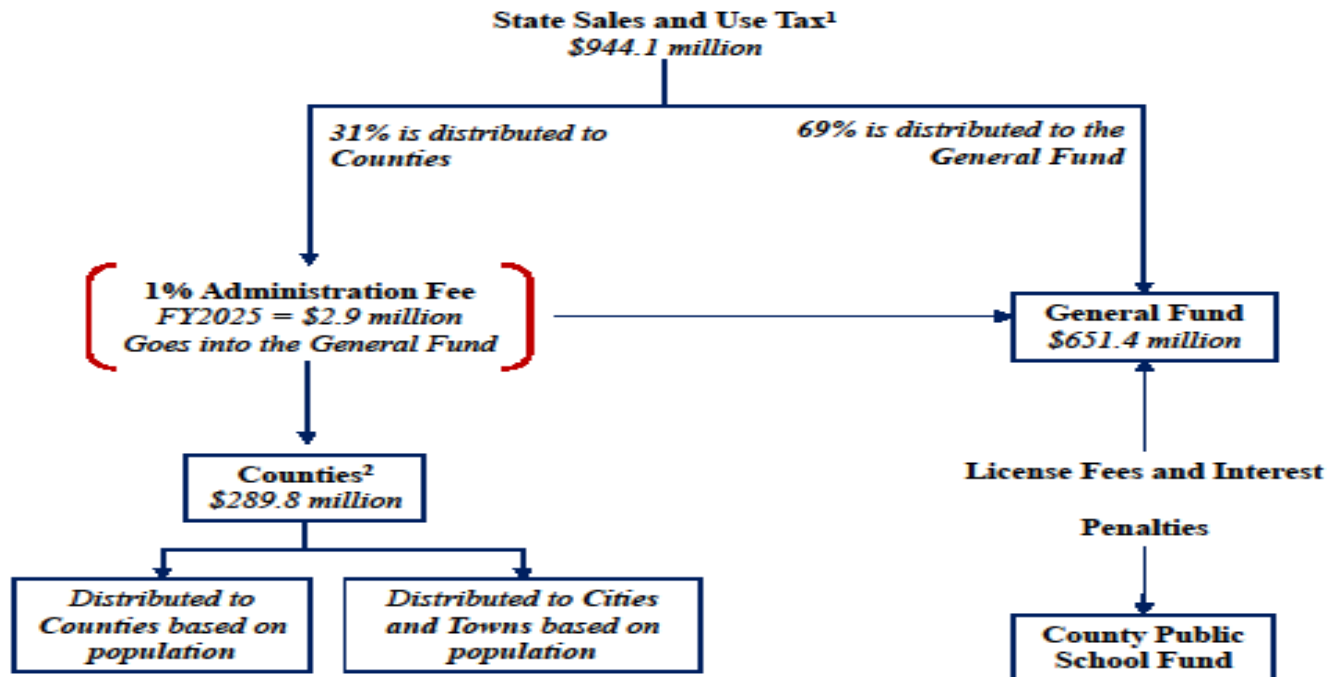
³See 2021 Wyoming Session Laws, Chapter 144, Section 2.

⁴See 2024 Wyoming Session Laws, Chapter 118, Section 314.

*Repeal of the BRA effective July 1, 2026, all severance taxes under \$155 million cap will be distributed to General Funds

Estimated Distribution for FY2025
State Sales and Use Tax
W.S. 39-15-111 (Sales) and W.S. 39-16-111 (Use)

Pursuant to W.S. 39-15-104 the sales tax rate is four percent. Pursuant to W.S. 39-16-104 the use tax rate is four percent. Sales tax is a tax on the sale, transfer, or exchange of a taxable item or service. Use tax is a tax on the storage, use, or consumption of a taxable item or service where no sales tax has been paid. Sales tax is applied when both buyer and seller are in the same state, whereas use tax applies to purchases made outside a state's taxing jurisdiction but still used within the state.



¹Excluded from the chart above are: 1) Distribution of lodging taxes (from 5-7%), and resort districts (0-3%); 2) Distribution related to impact assistance payments and other special considerations.

²The distribution to counties is based on the proportion of sales, except for a small base amount and proportion of population directed to each county.

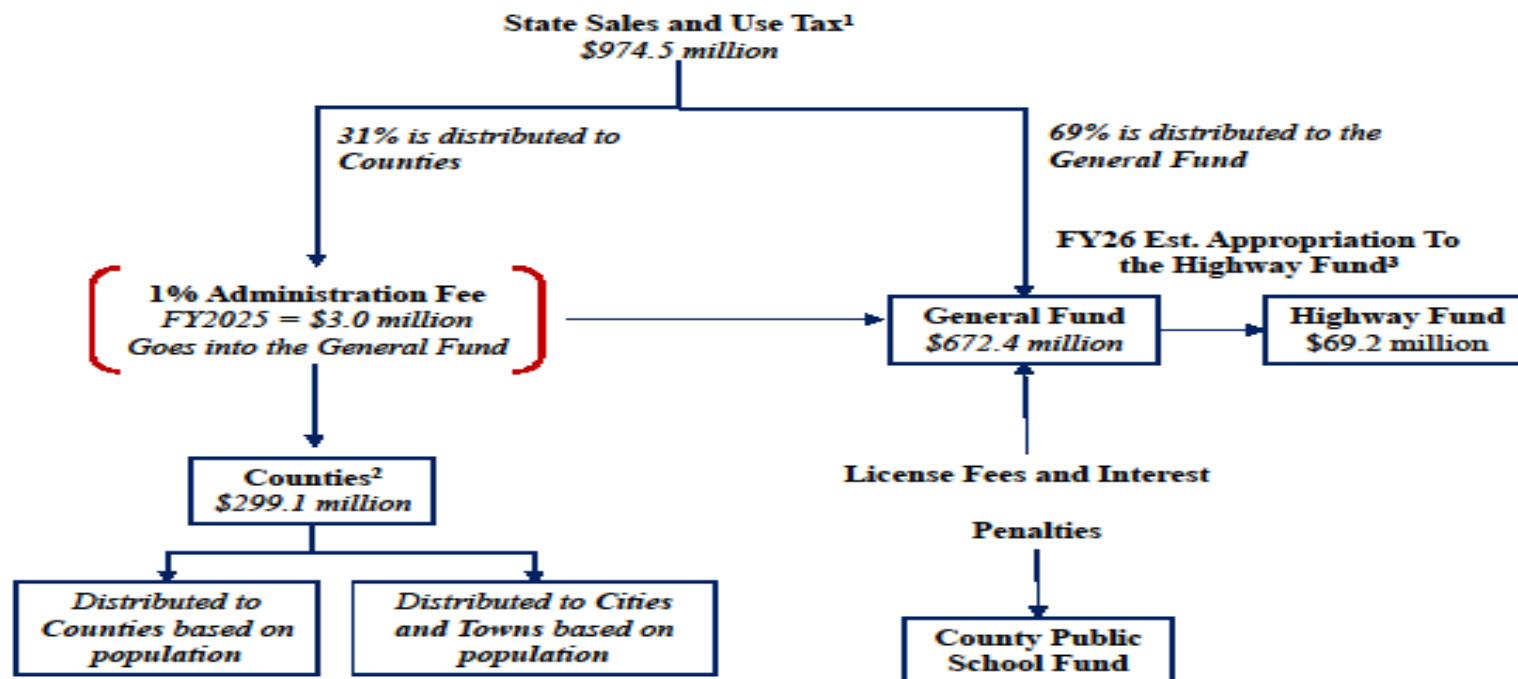
2025 Session Tax Rate and Tax Distribution Changes

- ♦ 2025 Session Laws, Ch. 31 (HB 75 Coal severance tax rate) reduces the severance tax rate on surface coal from 6.5% to 6.0%, effective July 1, 2025 (FY 2026).
- ♦ 2025 Session Laws, Ch. 92 (HB 33 Vehicle sales and use tax distribution-highway fund) amends the distribution of sales and use taxes on motor vehicles and trailers. Sales and use taxes on sales of motor vehicles and trailers during each fiscal year beginning July 1, 2025 (FY 2026) are appropriated annually to the Highway Fund for operation, maintenance, construction and reconstruction of state highways (FY26 est. \$69.2 million).
- ♦ 2025 Session Laws, Ch. 63 (SF 168 Budget Reserve Account-Repeal) repeals the Budget Reserve Account (BRA) on July 1, 2026. Over the cap severance tax distributions currently distributed to the BRA will be distributed to the General Fund, beginning in FY 2027.



Estimated Distribution for FY2026
State Sales and Use Tax
W.S. 39-15-111 (Sales) and W.S. 39-16-111 (Use)

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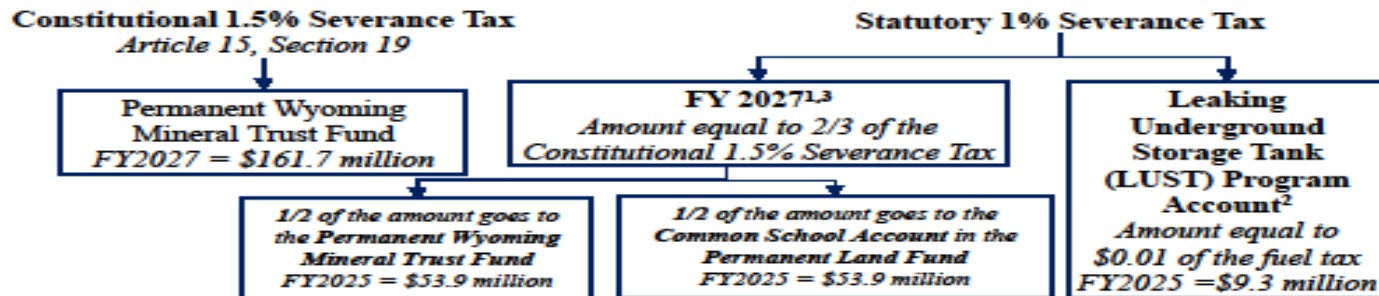
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³See 2025 Wyoming Session Laws, Chapter 92.

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Distribution of all “Other Statutory” severance tax up to \$155 million

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Cities, Town, and Counties Cap Con.		\$3,611,500

Severance taxes over \$155 million⁴

amount goes to the
General Fund
FY2027 = \$232.7
million

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³See 2021 Wyoming Session Laws, Chapter 144, Section 2.

⁴See 2025 Wyoming Session Laws, Chapter 63.

Other Revenue Sources

- ◆ Taxes are not the only revenue source for the Wyoming state budget. Other revenue sources include:
 - Investment Income on PWMTF and Pooled Income (\$600.9 million in FY24)
 - Federal Mineral Royalties (\$588.6 million in FY24)
 - Common School Land Income (\$205.1 million in FY24)
 - Fees, Charges, etc. (Agency Specific)
 - Federal Funds (Agency Specific)

