WYOMING LEGISLATIVE SERVICE OFFICE

Memorandum

DATE May 19, 2025

TO Members, Joint Revenue Committee

FROM Dalton Quilty, Associate Fiscal Analyst

SUBJECT Recent Tax Legislation Summary (2023 General through 2025 General Session)

PURPOSE: The Joint Revenue Committee's (Committee) 2025 interim study priority #1 includes continued work by the Committee as it relates to property taxes and potential revisions and reforms to the current property tax system. During the March 3, 2025, organizational meeting, the Committee indicated interest in information pertaining to ongoing and recent property tax reductions, revisions, and exemptions. This memorandum provides background and summaries of property tax reductions, property tax exemptions, and legislation regarding the classification and application of these policies and the qualifying properties.

- **Property Tax Residential Property Class (2023 Senate Joint Resolution 0003).** The Legislature adopted this resolution in 2023, and the electorate adopted it as a constitutional amendment in November 2024. Before this amendment, Article 15, Section 11 of Wyoming's Constitution required all property to be uniformly valued in three classes: 1) the gross production of minerals and mine products, 2) industrial property, and 3) all other real and personal property. The third class of "all other property" included residential, commercial, agricultural, and personal property. This resolution set up residential real property as a fourth class of property by separating residential real property from the third class. The amendment also allows for the creation of a subclass within residential property for owner-occupied residences, which was previously prohibited by the Constitution. The creation of this additional class and sub-class allows the Legislature to prescribe a separate and unique assessment rate specifically for residential property and for owner-occupied dwellings without impacting the assessment of other classes of property.
- **Property Tax Exemption for Long-term Homeowners (2024 Session Laws, Chapter 106).** This legislation created a property tax exemption for long-term homeowners of fifty percent (50%) of the assessed value of a property used as a primary residence. The exemption is available to all Wyoming residents who have paid property tax in the state for 25 years or more, or have a spouse that has done so, and are 65 years of age or older. Primary residence is defined within the legislation as residential real property where the person applying for the exemption resides for no less than eight months of the year. This bill also includes a July 1, 2027, sunset date, upon which it is expected homeowners that previously applied for the long-term homeowner relief will apply for relief under the homeowner property tax exemption adopted during the 2025 Session (2025 Session Laws, Chapter 106, described directly below). According to the DOR, thus far the program has received 28,835 applications for tax year 2025 (*The DOR will provide the latest estimate for the total amount exempted at the Joint Revenue Interim Committee meeting in June 2025.)*
- **Property Tax Refund Program (2024 Session Laws, Chapter 109).** This legislation expanded the existing property tax refund program by increasing the household income thresholds for those who qualify for refunds. The original threshold provided that a person may not qualify if their income exceeded 125 percent of the median gross household income for the applicant's county of residence or the state. 2024 Laws, Chapter 109 expanded this, adding two additional thresholds: one at 145 percent of the median gross

income and one at 165 percent of the median gross income. If a resident's median gross income is 145 percent or less than the applicable median income, they qualify for 65 percent of the refund authorized under the existing program. If a resident's median gross income is 165 percent or less than the applicable median income, they qualify for 25 percent of the refund authorized in the program. The 165 percent maximum threshold was line-item vetoed by the Governor, making the maximum qualifying median gross income under current law 145 percent. This legislation also amended the qualifications for the county optional property tax refund program. **Table 1** details the total number of applicants, successful applications, amount refunded, and the average refund for the state program for FY2024 and FY2025.

Table 1. Property Tax Refund Program – Actual Impact for Tax Years 2022 and 2023.

	Fiscal Year 2024	Fiscal Year 2025	Difference
Total Applicants	9,717	14,782	5,065
Total Refunds	8,813	13,485	4,672
Total Amount Refunded	$8,263,783.84	$14,269,323.88	$6,005,540.04
Average Refund	$937.68	$1058.16	$120.48

Source: LSO summary of program applicants and refund amounts from Department of Revenue data.

- **Property Tax Exemption- Residential Structures and Land (2024 Session Laws, Chapter 107).** This legislation created a property tax exemption for single family residential structures and associated improved land. The exemption is equal to any increase to the residential property value greater than four percent over the value of the property in the prior year. This exemption, originally applied in tax year 2024, also defined single family residential structure and improved land associated with a single-family residential structure as well as detailing instances where the exemption would not apply. Because Chapter 107 is based on actual increases to assessed value, the forecasting of potential fiscal impacts is difficult. **Appendix 1** details the amounts of assessed value exempted, by county, in tax year 2024 as well as the approximate amount in tax dollars this exemption impacted individual counties. Statewide, the assessed value exempted totals $300,724,060 with an estimated impact in statewide property tax of $18,980,644. Notably, the exemption from this legislation attributable to Teton County reflects almost half of the total statewide exemption of $149,994,840. Even with the lower than average mill levy (56.428), the Teton County impact accounts for $8,463,909 in property tax, 44.6 percent of the statewide total.

- **Veterans Ad Valorem Exemption – Amount (2024 Session Laws, Chapter 101).** This legislation increases the annual ad valorem tax exemption for veterans from $3,000 to $6,000 of assessed value against real or personal property. This exemption may also be used by surviving spouses until they remarry. 2024 Laws, Chapter 101 also contained an appropriation of $8.2 million from the General Fund to provide reimbursements to the counties for the exemption. Veterans are eligible if they have lived in the state for three years and are honorably discharged veterans of World War I, World War II, the Korean War, the Vietnam War, or honorably discharged veterans that were awarded the armed forces expeditionary medal or any other authorized service or campaign medals indicating service for the United Stated in an armed foreign conflict. This exemption can be applied to the property tax of primary residence or motor vehicle registration. Detailed in **Table 2** are the estimated fiscal impacts from increased expenditures for reimbursement to counties in FY2024 through FY2026.

Table 2. Estimated Fiscal Impacts of 2024 Chapter 101 (2024 Senate File 0089).

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
Grant and Aid Payments	$0.00	$4.10 Million	$4.10 Million

Source: LSO analysis of fiscal impacts from Department of Revenue data.

- **Property Tax Exemptions – Order of Application (2025 Session Laws, Chapter 147).** This legislation specifies if a property qualifies for more than one property tax exemption, the exemptions shall be applied in an order to be determined by the Department of Revenue (DOR). In addition, exemptions will be applied in sequence and subsequent exemptions shall be applied to the newly modified assessed value. The bill asserts exemptions based on percentages of property value shall be applied in order of the smallest percentage to the largest percentage. Exemptions not based on a percentage of property value shall be applied after any exemptions that are based on a percentage of property value. Separately, Chapter 147 also appropriated $10.5 million of General Funds to the DOR for the Property Tax Refund program.

- **Business Property Exemption (2025 Session Laws, Chapter 28)**. This legislation amends the existing business property tax exemption, changing it from a de minimis exemption of up to $2,400 of fair market value in one county to a $75,000 exemption of fair market value of business property in each county. The estimated fiscal impacts in FY2026 through FY2028 for the bill are included in **Table 3** below.

Table 3. Estimated Fiscal Impacts of 2025 Chapter 28 (2025 Senate File 0048).

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
K-12	$0.00	-$ 5.50 Million	-$ 5.50 Million
Counties, Municipalities and Special Districts	$0.00	-$3.30 Million	-$3.30 Million
Total	**$0.00**	**-$8.80 Million**	**-$8.80 Million**

Source: LSO staff analysis of fiscal impacts from Department of Revenue data.

- **Tangible Personal Property-Index and Depreciation (2025 Session Laws, Chapter 20).** This legislation requires the fair market value of tangible personal business property to be determined using valuation indexes and depreciation schedules prescribed by rules and regulation of the DOR. Once the tangible personal property reaches the depreciation floor, the trending factor shall remain constant until the property is removed from service. The legislation states that the "depreciation floor" means 20 percent of the reported installed cost of the property. State assessed property and mobile homes required to be titled are excluded from these requirements. Due to the amendments during the legislative process, fiscal impact estimates of this legislation are forthcoming from the DOR.
- **Homeowner property tax exemption (2025 Session Laws, Chapter 106).** Also referred to as Senate File 69, this legislation provides an exemption of twenty-five percent (25%) of the fair market value of residential property. The exemption, beginning in fiscal year (FY) 2026 and continuing thereafter, exempts twenty-five percent (25%) of the first $1.0 million of fair market value of a single-family residential structure and the associated improved land. This exemption applies to all residential structures in FY 2026 and only owner-occupied dwellings beginning in FY2027. Detailed in **Table 4** are the fiscal impacts expected in FY 2026 through FY2028 (tax years 2025 through 2027). When comparing fiscal impacts in tax years 2025 through 2027, a noticeable trend emerges: costs decrease after FY 2026, then rise again in tax year 2027. The initial reduction from FY2026 to FY2027 is due to the shift from all residential structures qualifying to only owner-occupied dwellings being eligible. The subsequent increase from FY2027 to FY2028 is a result of the expiration of the long-term homeowner exemption in FY2028 resulting in increased enrollment for the homeowner property tax exemption. **Appendix 2** is an LSO Fact Sheet describing 2025 Senate File 69. As an LSO staff note, **Appendix 2** provides fiscal impacts displayed in tax years which are one year behind fiscal years. For ease of comparison these impacts are displayed in terms of fiscal years in this memorandum.

Table 4. Estimated Fiscal Impacts of 2025 Session Laws Chapter 106 (2025 Senate File 0069).

Accounts	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
K-12	-$70.90 Million	-$47.60 Million	-$57.50 Million
Counties, Municipalities and Special Districts	-$42.10 Million	-$28.30 Million	-$34.10 Million
Total	**-$ 113.00 Million**	**-$ 75.90 Million**	**-$ 91.60 Million**

Source: LSO staff analysis of fiscal impacts from Department of Revenue data.

- **Tax Exemption- Property Owned by the State (2025 Session Laws, Chapter 26).** The legislation clarifies a property tax exemption to all state-owned land used for a governmental purpose, including lease of lands for agricultural purposes. It further specifies that lands owned by the state of Wyoming are exempt from property taxation regardless of the use of the land, and any improvements to the land that are not primarily owned and used by the state may be taxed. This exemption is repealed January 1, 2027. Detailed in **Table 5** below are the estimated fiscal impacts in FY2026 to FY2028.

Table 5. Fiscal Impacts of 2025 Chapter 26 (2025 Senate File 0081).

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
K-12	-$1.90 Million	-$1.90 Million	$0.00
Counties, Municipalities and Special Districts	-$1.10 Million	-$1.10 Million	$0.00
Total	**-$ 3.00 Million**	**-$ 3.00 Million**	**$0.00**

Source: LSO staff analysis of fiscal impacts from Wyoming Department of Revenue data.

HYPOTHETICAL SCENARIO: To further illustrate the impacts of recent legislation relating to property taxes, combined, and the impacts on a homeowner, one can create a hypothetical scenario. In this scenario John Doe is a small business owner, former veteran, 70-year-old, living in Wyoming full-time and has owned and lived in his home for the past 35 years. Mr. Doe's home and accompanying land in Fremont County has increased to the county average of 4.82 percent in fair value from $350,000 to $366,880 and his business has $100,000 worth of personal property assets.

Applying 2024 Session Laws, Chapter 106, Property Tax Exemptions – Order of Application, property tax exemptions based on a percentage of the property value are taken first. Applying 2024 Session Laws, Chapter 107, Property Tax Exemption- Residential Structures and Land, any increase to the assessed value of over four percent (4%) is exempted. Mr. Doe's home was originally assessed in 2023 at $33,250 but has since increased to $34,854. This increase is greater than four percent (4%), and Mr. Doe will be exempted from $273.60 of the assessed value. This amount is subtracted from his original assessed value, making his new assessed home value $34,580. Although Mr. Doe qualifies for both the Homeowner Tax Exemption and the Long-Term Homeowner Tax Exemption, he can only take one of them. The Long-Term Homeowner Tax Exemption would be the optimal choice as it generates a greater tax exemption value. Applying the fifty percent (50%) assessed value exemption, Mr. Doe's home is now assessed at $17,290. As a veteran, Mr. Doe qualifies for the $6,000 exemption under 2024 Session Laws, Chapter 101, Veterans Ad Valorem Exemption – Amount, further reducing his properties assessed value to $11,290.

In conclusion Mr. Doe will owe $848 in taxes under the new suite of legislation. Assuming his property had still increased in value, but no new legislation had taken effect, Mr. Doe would have owed $2,392. This means the recent legislation has caused tax savings of $1,544 not including the savings in business taxes Mr. Doe would also benefit from as the personal property exemption, which would increase from $2,400 to $75,000. These savings will result in a decrease in revenue, when compared to the old system, to counties of $247 from their 12 mills, an $884 decrease to schools from their 43 mills, and a $413 decrease to special districts from the remaining 20.108 Fremont County mills. While this hypothetical is atypical from what one might expect from all homeowners in Wyoming, this hypothetical illustrates the way that some of these exemptions will interact with one another.

2024 4% Res structures

Appendix 1

2024 Assessed Value Exempted on Single Family Residential Structures
Pursuant to W.S. 39-11-105(a)(xliii)

County	Assessed Value Exempted	Average Mill Levy	Approximate Tax Dollars Exempted
Albany	4,295,559	70.944	$304,744
Big Horn	2,825,116	73.244	$206,923
Campbell	11,688,588	64.300	$751,576
Carbon	151,355	69.293	$10,488
Converse	1,209,439	63.586	$76,903
Crook	12,824,677	65.700	$842,581
Fremont	23,542,424	75.108	$1,768,224
Goshen	4,249,750	72.638	$308,693
Hot Springs	544,905	71.523	$38,973
Johnson	1,589,699	72.625	$115,452
Laramie	17,975,141	71.563	$1,286,355
Lincoln	6,041,468	63.280	$382,304
Natrona	24,333,884	70.019	$1,703,834
Niobrara	39,465	71.500	$2,822
Park	10,801,239	68.480	$739,669
Platte	2,173,805	70.000	$152,166
Sheridan	4,463,013	67.463	$301,088
Sublette	3,962,817	64.677	$256,303
Sweetwater	10,496,618	72.526	$761,278
Teton	149,994,840	56.428	$8,463,909
Uinta	5,231,325	66.163	$346,120
Washakie	2,110,880	69.703	$147,135
Weston	178,053	73.590	$13,103
Totals	**300,724,060**		**$18,980,644**

Note: Data pulled from statewide CAMA on July 15, 2024. This data may reflect changes after the State Board of Equalization's certification.

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Fact Sheet

2025 Wyoming Session Laws, Chapter 106, Homeowner Property Tax Exemption

March 5, 2025

Prepared by: Dalton Quilty, Associate Fiscal Analyst

The following analysis details 2025 Wyoming Session Laws, Chapter 106, formerly, Senate File 0069, Homeowner property tax exemption. **Table 1** includes the metrics for Chapter 106, while **Table 2** details expected fiscal impacts in tax years 2025 through 2027.

Table 1. Metrics of 2025 Wyoming Session Laws, Chapter 106.

Metric	Wyoming Session Laws, Chapter 106
Tax Years	2025, 2026, and thereafter
Exemption Percentage	25%
Market Value Exempted	First $1,000,000
Property Exempted	A portion of a residential property and improved land. Exemption limited to owner-occupied residential property beginning in tax year 2026. No exemption if a person receives an exemption under W.S. 39-11-105(a)(xlv) – long-term homeowner exemption for tax years 2025 and 2026.
Backfill	None

Source: LSO analysis.

Table 2. Fiscal Impacts of 2025 Wyoming Session Laws, Chapter 106.

	Tax Year 2025	Tax Year 2026	Tax Year 2027
K-12	$70.9 Million	$47.6 Million	$57.5 Million
Counties	$19.8 Million	$13.3 Million	$16.0 Million
Municipalities and Special Districts	$22.3 Million	$15.0 Million	$18.1 Million
Total	**$113.0 Million**	**$75.9 Million**	**$91.6 Million**

Source: LSO analysis; fiscal impacts summarized from Wyoming Department of Revenue data.

As a LSO staff note, when comparing tax years 2025 through 2027, a noticeable trend emerges: costs decrease after tax year 2025, then rise again in 2027. The initial reduction from 2025 to 2026 is due to the shift from all homeowners qualifying to only owner-occupied dwellings being eligible. The subsequent increase from 2026 to 2027 is a result of the expiration of the long-term homeowner exemption in 2027.