

WORKING DRAFT

HOUSE BILL NO. _____

Property tax deferral amendments.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to taxation and revenue; providing
2 amendments to the property tax deferral program; making the
3 program statewide; repealing old and conflicting
4 provisions; and providing for an effective date.

5

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

7

8 **Section 1.** W.S. 39-13-107(b)(iii)(A), (B), (D)
9 through (F) and (H) through (K) is amended to read:

10

11 **39-13-107. Compliance; collection procedures.**

12

13 (b) The following provisions shall apply to the
14 payment of taxes, distraint of property and deferral:

15

16 (iii) The following shall apply to the deferral
17 of tax collection:

18

19 (A) On or before November 10 of the year
20 taxes are levied and upon the filing of an affidavit
21 demonstrating an adequate showing that he is qualified
22 under subparagraph (N) of this paragraph and if his
23 principal residence is located on a parcel of land not more

1 than forty (40) acres, any person may apply to the ~~board of~~
2 ~~county commissioners~~ department of revenue for deferral of
3 the collection of not to exceed one-half (1/2) of any real
4 estate ad valorem taxes owed by the property owner on his
5 principal residence. The ~~board of county commissioners of~~
6 ~~each county may~~ department shall promulgate rules and
7 regulations necessary to administer the provisions of this
8 paragraph including guidelines for a taxpayer to
9 demonstrate qualification and provisions allowing or
10 requiring annual payment of a portion of the taxes or
11 interest on deferred taxes. ~~All rules, regulations,~~
12 ~~guidelines, forms and other program information shall be~~
13 ~~submitted to the department prior to July 1 of the year the~~
14 ~~deferral program is implemented in the county. The board of~~
15 ~~county commissioners may implement the program unless~~
16 ~~disapproved in writing by the department within forty five~~
17 ~~(45) days of submission. If at least ten (10) residents of~~
18 ~~a county who are qualified under subparagraph (N) of this~~
19 ~~paragraph submit a petition to the board of county~~
20 ~~commissioners, the board of county commissioners shall hold~~
21 ~~a hearing within thirty (30) days on the issue of whether~~
22 ~~to promulgate rules to enable the qualified residents of~~
23 ~~the county to participate in the tax deferral program~~
24 ~~authorized under this paragraph;~~

25
26 (B) Any deferral of collection of taxes
27 granted by the ~~board of county commissioners~~ department
28 shall constitute a perpetual tax lien against the property
29 pursuant to W.S. 39-13-108(d)(i) with priority over any
30 other lien. The taxpayer shall file an affidavit each year
31 demonstrating qualification including any significant
32 change to his financial status. If the ~~board of county~~
33 ~~commissioners~~ department finds that the taxpayer's
34 financial status to qualify under subdivision (N)(I) of
35 this paragraph has significantly changed, the ~~board of~~
36 ~~county commissioners~~ department shall, by written order,
37 declare any taxes deferred due and payable on an earlier
38 date. Unless declared to be due earlier, any taxes deferred
39 shall be due and payable upon a significant change in the
40 taxpayer's financial status as determined by the ~~board of~~
41 ~~county commissioners~~ department, abandonment of the
42 property, failure to file annually the affidavit required
43 by this paragraph, the death of the property owner or the
44 sale or transfer of the property, whichever occurs first.
45 If the ~~board of county commissioners~~ department finds at
46 any time that the total taxes deferred exceeds one-half
47 (1/2) of the fair market value of the property as estimated

1 by the ~~board of county commissioners~~ department, the ~~board~~
2 ~~of county commissioners~~ department may declare, ~~by written~~
3 ~~order~~, that all deferred taxes are immediately due and
4 payable;

5
6 (C) Nothing in this paragraph shall be
7 construed to prohibit or affect requirements for property
8 to be listed, valued and assessed by the county assessor
9 pursuant to law;

10
11 (D) Notwithstanding W.S. 39-13-108(b)(ii),
12 interest shall accrue on any tax collection deferral
13 granted by the ~~board of county commissioners~~ department at
14 a compounded rate of four percent (4%) per annum, except
15 for persons who qualify solely under subdivision (N)(III)
16 of this paragraph interest shall accrue at a rate equal to
17 the average rate of return on all permanent mineral trust
18 fund investments as determined by the state treasurer for
19 the calendar year preceding the year in which application
20 is made. Any tax collection deferral may be prepaid at any
21 time without prepayment penalty;

22
23 (E) Each year the ~~county assessor~~
24 department shall publicize in a manner reasonably designed
25 to notify all residents of the ~~county state~~ the provisions
26 of this section and the method by which eligible persons
27 may obtain a deferral;

28
29 (F) Payment of deferred taxes shall be
30 distributed pursuant to W.S. 39-13-111(a)(ii). Any taxes
31 deferred under this paragraph which would be distributed
32 pursuant to W.S. 39-13-111(a)(ii)(A) shall be paid from the
33 ~~county state~~ general fund by the department subject to
34 reimbursement when the deferred taxes are paid by the
35 taxpayer or otherwise collected by the ~~county~~ department.
36 The department shall remit payment to the county treasurer
37 of the county in which the property is located pursuant to
38 subparagraph (b)(ii)(D) of this section. The ~~board of~~
39 ~~county commissioners may~~ department shall, by December 1 of
40 the year in which the first installment of deferred taxes
41 are to be paid, make application to the state treasurer for
42 disbursement of funds pledged by W.S. 9-4-701(m). If
43 applications exceed funds authorized, the state treasurer
44 shall make investments on a prorated basis;

45
46 ~~(G) The deferral option shall not be~~
47 ~~available in any county which has not adopted rules as~~

1 ~~required by subparagraph (A) of this paragraph, or which~~
2 ~~has received disapproval of the county program by the~~
3 ~~department;~~

4
5 (H) If any residence is under mortgage,
6 deed of trust or purchase contract whereby the explicit
7 terms of the mortgage, deed or contract requires the
8 accumulation of reserves out of which the holder of the
9 mortgage, deed or contract is required to pay real property
10 taxes, the holder or his authorized agent shall cosign the
11 affidavit to defer ~~either~~ before a notary public ~~or the~~
12 ~~county assessor or deputy in the county in which the real~~
13 ~~property is located;~~

14
15 (J) If any residence is under rental and
16 the terms of the rental contract require the payment of
17 taxes by the renter, the renter may apply for the deferral
18 provided the property owner or authorized agent also
19 cosigns the affidavit to defer ~~either~~ before a notary
20 public ~~or the county assessor or deputy in the county in~~
21 ~~which the real property is located;~~

22
23 (K) Consistent with generally accepted
24 fiscal accounting standards, ~~each county implementing the~~
25 ~~deferral program~~ the department shall maintain adequate
26 records pertaining to the deferral program, by legal
27 description, owner, taxpayer, if different from owner,
28 deferred taxes and interest, payments made against deferred
29 taxes and interest, and any other information necessary to
30 document and determine the status of deferred taxes and
31 interest in the county. These records shall be updated
32 annually or as needed, ~~and a summary thereof shall be~~
33 ~~submitted annually to the department of revenue on or~~
34 ~~before August 10;~~

35
36 (M) As used in this paragraph, "limited
37 income" means not to exceed a maximum gross monthly
38 household income at or below one hundred fifty percent
39 (150%) of the federal poverty level for a household of four
40 (4) as adjusted annually by the comparative cost-of-living
41 index for the respective county as determined by the
42 division of economic analysis, department of administration
43 and information;

44
45 (N) An owner is qualified under this
46 subparagraph if:

47

1 (I) The owner's affidavit demonstrates
2 limited income as defined in subparagraph (M) of this
3 paragraph;

4
5 (II) The owner is a person over the
6 age of sixty-two (62) years or is a handicapped person as
7 determined by the social security administration; or

8
9 (III) The owner purchased the property
10 before December 31, 1987.

11
12 ~~(O) In addition to the program for deferral~~
13 ~~of ad valorem taxes otherwise provided in this paragraph,~~
14 ~~for 1995, there shall be deferred ad valorem taxes on~~
15 ~~residential real property as provided in this subparagraph~~
16 ~~which was continuously so classified from 1993 through~~
17 ~~1995. Taxes deferred under this subparagraph constitute a~~
18 ~~lien against the property pursuant to W.S. 39-13-108(d)(i)~~
19 ~~except that this lien shall have priority over any other~~
20 ~~lien which becomes effective after August 1, 1995. Taxes~~
21 ~~deferred under this subparagraph are due and payable July~~
22 ~~1, 1996, or upon transfer of the property, whichever is~~
23 ~~earlier. The deferral authorized under this subparagraph~~
24 ~~shall be granted upon application to the county assessor by~~
25 ~~an owner of property which qualifies for the deferral under~~
26 ~~this subparagraph. Taxes deferred under this subparagraph~~
27 ~~shall not accrue interest before July 1, 1996. The~~
28 ~~department shall promulgate rules for the computation of~~
29 ~~deferrals under this subparagraph and to ensure that~~
30 ~~taxpayers are advised of the amount deferred. Residential~~
31 ~~real property is eligible for a deferral under this~~
32 ~~subparagraph if the assessed valuation of the property has~~
33 ~~increased by at least one hundred percent (100%) as~~
34 ~~compared with the assessed valuation of the property in~~
35 ~~1993 excluding changes to assessed valuation under~~
36 ~~subdivision (II) and (III) of this subparagraph. The~~
37 ~~amount of tax deferred shall be equal to twenty-five~~
38 ~~percent (25%) of the ad valorem tax on the property for~~
39 ~~1995 excluding increases in the tax as compared with the~~
40 ~~tax on that property in 1993 due to:~~

41
42 ~~(I) Increase in the total mill levy;~~

43
44 ~~(II) Improvements, including new~~
45 ~~construction, made to the property that were not reflected~~
46 ~~in the assessed valuation in the property for 1994;~~

47

1 ~~(III) Corrections of errors in the~~
2 ~~assessed valuation of the property.~~

3
4 **Section 2.** W.S. 39-13-107(b)(iii)(G) and (O) is
5 repealed.

6
7 **Section 3.** This act is effective January 1, 2004.

8
9 (END)