

WORKING DRAFT

HOUSE BILL NO. _____

Intangible property-definitions.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to taxation and revenue; providing for the
2 taxation of intangible property as specified; providing
3 definitions; and providing for an effective date.

4

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

6

7 **Section 1.** W.S. 39-11-101(a)(vii),
8 39-11-105(a)(xxix) and 39-13-105 by creating a new
9 subsection (j) are amended to read:

10

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

12

13 (a) As used in this act unless otherwise specifically
14 provided:

15

16 (vii) "Intangible personal property" ~~includes:~~

17

18 ~~(A) Money and cash on hand including~~
19 ~~currency, gold, silver and other coin, bank drafts,~~
20 ~~certified checks and cashier's checks;~~

21

22 ~~(B) Money on deposit;~~

23

24 ~~(C) Accounts receivable and other credits;~~

1
2 ~~(D) Bonds, promissory notes, debentures and~~
3 ~~other evidences of debt;~~

4
5 ~~(E) Shares of stock or other written~~
6 ~~evidence of ownership;~~

7
8 ~~(F) Judgments for the payment of money;~~

9
10 ~~(G) Annuities and annuity contracts~~ means
11 personal property that lacks mass and cannot be seen, felt,
12 weighed, measured or otherwise perceived by the senses;
13 property that has no physical existence beyond merely
14 representational. Intangible property's value lies chiefly
15 in what it represents, and its existence may be evidenced
16 by a document.

17
18 (xvi) "Tangible personal property" means
19 personal property ~~which is neither intangible personal~~
20 ~~property nor real property that, by its nature, is~~
21 perceptible to the senses; property that has a physical
22 presence beyond merely representational and that is capable
23 of being touched; property that is able to be perceived as
24 materially existent; property that is not intangible;

25
26
27 **39-11-105. Exemptions.**

28
29 (a) The following property is exempt from property
30 taxation:

31
32 (xxix) Intangible personal property as provided
33 by W.S. 39-13-105(j), and except as specified in W.S.
34 39-13-103(b)(xi);

35
36 **39-13-105. Exemptions; veterans.**

37
38 (j) The following shall be exempt from property
39 taxation:

40
41 (i) Goodwill;

42
43 (ii) Going concern value;

44
45 (iii) Any of the following intangible items:

46

1 (A) Workforce in place including its
2 composition and terms and condition, contractual or
3 otherwise, of its employment;

4
5 (B) Business books and records, operating
6 systems or any other information base including lists or
7 other information with respect to current or prospective
8 customers;

9
10 (C) Any patent, copyright, formula,
11 process, design, pattern, know-how, format or other similar
12 item;

13
14 (D) Any customer-based intangible. As used
15 in this subparagraph, "customer-based intangible" means
16 composition of market, market share and any other value
17 resulting from future provision of goods or services
18 pursuant to relationships, contractual or otherwise, in the
19 ordinary course of business with customers. In the case of
20 a financial institution, "customer-based intangible"
21 includes deposit base and similar items;

22
23 (E) Any supplier-based intangible. As used
24 in this subparagraph, "supplier-based intangible" means any
25 value resulting from future acquisitions of goods or
26 services pursuant to relationships, contractual or
27 otherwise, in the ordinary course of business with
28 suppliers of goods or services to be used or sold by the
29 taxpayer;

30
31 (F) Any other similar item.

32
33 (iv) Any license, permit or other right granted
34 by a governmental unit or an agency or instrumentality
35 thereof;

36
37 (v) Any covenant not to compete, or other
38 arrangement to the extent such arrangement has
39 substantially the same effect as a covenant not to compete,
40 entered into in connection with an acquisition directly or
41 indirectly of an interest in a trade or business or
42 substantial portion thereof;

43
44 (vi) Any franchise, trademark or trade name;

45
46 (vii) Any of the following intangible items:

47

1 (A) Money and cash on hand including
 2 currency, gold, silver and other coin, bank drafts,
 3 certified checks and cashier's checks;
 4

5 (B) Money on deposit;
 6

7 (C) Accounts receivable and other credits;
 8

9 (D) Bonds, promissory notes, debentures and
 10 other evidences of debt;
 11

12 (E) Shares of stock or other written
 13 evidence of ownership;
 14

15 (F) Judgments for the payment of money;
 16

17 (G) Annuities and annuity contracts.
 18

19 **Section 2.** This act is effective January 1, 2006.
 20

21

(END)