

## HOUSE BILL NO. HB0106

Local option tax-municipalities.

Sponsored by: Representative(s) Miller, Krone, McOmie and  
Vranish and Senator(s) Bebout, Case and Coe

A BILL

for

1 AN ACT relating to taxation and revenue; authorizing a  
2 municipal sales and use tax as specified; providing  
3 procedures; amending related provisions; and providing for  
4 an effective date.

5

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

7

8       **Section 1.** W.S. 39-15-203(a) by creating a new  
9 paragraph (vi), 39-15-204(a)(intro), (iii) and by creating  
10 a new paragraph (vii), 39-15-211 by creating a new  
11 subsection (d), 39-16-203(a) by creating a new paragraph  
12 (v), 39-16-204(a)(intro), (ii) and by creating a new  
13 paragraph (vi) and 39-16-211 by creating a new subsection  
14 (d) are amended to read:

15

16       **39-15-203. Imposition.**

1

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

3

4 (vi) The following provisions apply to  
5 imposition of the municipal specific purpose excise tax  
6 under W.S. 39-15-204(a)(vii):

7

8 (A) Any incorporated municipality located  
9 in a county wherein no incorporated municipality contains  
10 more than fifty percent (50%) of the population of the  
11 county may impose a specific purpose excise tax as  
12 authorized by W.S. 39-15-204(a)(vii). Population figures  
13 shall be based upon the official ten (10) year federal  
14 census preceding the time of election. Population figures  
15 based upon the official census may be periodically revised  
16 by a state population estimate not later than five (5)  
17 years following the federal census publication date. If a  
18 county has currently imposed a specific purpose excise tax  
19 as authorized by W.S. 39-15-204(a)(iii), an incorporated  
20 municipality may still impose a municipal specific purpose  
21 excise tax in the amount authorized by W.S.  
22 39-15-204(a)(vii);

23

1           (B) The revenue from the tax shall be used  
2 in a specified amount for specific purposes authorized by  
3 the qualified electors. Specific purposes shall not include  
4 ordinary operations of local government except those  
5 operations related to a specific project;

6  
7           (C) No tax shall be imposed under this  
8 paragraph until the proposition to impose the tax for  
9 specific purposes in specific amounts is approved by the  
10 vote of the majority of the qualified electors voting on  
11 the proposition. The amount of revenue to be collected and  
12 the purpose or purposes for which it is proposed to be used  
13 shall be specified in the proposition. The election shall  
14 be held in accordance with W.S. 22-21-101 through  
15 22-21-112. Any debt created may also be repaid, in whole or  
16 in part, by a property tax levy if general obligation bonds  
17 are authorized by the electors. Any excise tax imposed  
18 under this subsection shall commence on the first day of  
19 the second month following the election approving the  
20 imposition of the tax, except that it shall commence on the  
21 first day of any subsequent month following the receipt of  
22 tax funds in the approved amount by any tax previously  
23 imposed under this subsection as provided by subparagraph  
24 (E) of this paragraph. Unless terminated earlier by the

1 sponsoring entities pursuant to subparagraph (G) of this  
2 paragraph, the tax shall terminate on the last day of the  
3 month following the month in which the amount approved by  
4 the electors is collected;

5  
6 (D) No debt may be incurred or approved  
7 which when added to the existing indebtedness of the  
8 sponsoring entity or entities, would exceed the  
9 constitutional debt limitation of the sponsoring entity or  
10 entities. However, nothing herein prohibits the approval of  
11 a proposition which establishes a fund for accumulation of  
12 funds sufficient to carry out the purpose approved or to  
13 pay a sufficient amount of the cost so as to bring the  
14 remainder of the debt within the debt limitation of the  
15 sponsoring entity or entities;

16  
17 (E) Upon certification of the election  
18 results by the municipality, the municipality shall, within  
19 ten (10) days, notify the department of revenue of the  
20 requirement for imposition of any tax under this paragraph  
21 and shall, upon the receipt of all tax funds in the amount  
22 approved, notify the department of revenue that the special  
23 sales tax levy is terminated. The department of revenue  
24 shall, upon notification, inform all holders of sales tax

1 licenses within the municipality of the requirement for the  
2 collection and payment of the additional tax. After receipt  
3 of notice that the amount has been collected or that the  
4 sponsoring entities have terminated the tax pursuant to  
5 subparagraph (G) of this paragraph, the department shall  
6 notify the license holders of the termination of the tax;

7  
8 (F) The first municipality imposing the tax  
9 provided by this paragraph shall be responsible for payment  
10 of costs incurred by the department to initially set up  
11 computer records and support systems for administration of  
12 this tax. These costs shall be withheld by the state  
13 treasurer from the proceeds to be distributed pursuant to  
14 the preceding paragraph until such costs are fully  
15 recovered;

16  
17 (G) The sponsoring entities may agree to  
18 terminate the tax if the tax collected reaches the actual  
19 cost of the completed projects and the amount specified in  
20 the proposition exceeds the actual cost of the completed  
21 projects. The sponsoring entities shall inform the  
22 department of revenue and the county treasurer that the tax  
23 is terminated.

24

1           **39-15-204. Taxation rate.**

2

3           (a) In addition to the state tax imposed under W.S.  
4 39-15-101 through 39-15-111 any county of the state may  
5 impose the following excise taxes and any city or town may  
6 impose the tax authorized by ~~paragraph~~ paragraphs (ii) and  
7 (vii) of this subsection and any resort district may impose  
8 the tax authorized by paragraph (v) of this subsection:

9

10           (iii) An excise tax not to exceed two percent  
11 (2%) upon retail sales of tangible personal property,  
12 admissions and services made within the county. The total  
13 excise tax imposed within any county under this paragraph  
14 shall not exceed two percent (2%). If an incorporated  
15 municipality has previously imposed a tax under paragraph  
16 (vii) of this subsection, the rate of the tax imposed under  
17 this paragraph within the boundaries of the municipality  
18 shall be reduced by the rate imposed under paragraph (vii)  
19 of this subsection so that the total rate of tax within the  
20 boundaries of the municipality does not exceed two percent  
21 (2%). The revenue from the tax shall be used in a  
22 specified amount for specific purposes authorized by the  
23 qualified electors. Specific purposes shall not include

1 ordinary operations of local government except those  
2 operations related to a specific project;

3  
4 (vii) An excise tax not to exceed two percent  
5 (2%) upon retail sales of tangible personal property,  
6 admissions and services made within an incorporated  
7 municipality, less the rate of any tax previously imposed  
8 by a county government under paragraph (iii) of this  
9 subsection. If the rate imposed under paragraph (iii) of  
10 this subsection is two percent (2%), the rate under this  
11 paragraph shall be zero (0). The revenue from the tax shall  
12 be used in a specified amount for specific purposes  
13 authorized by the qualified electors. Specific purposes  
14 shall not include ordinary operations of local government  
15 except those operations related to a specific project.

16

17 **39-15-211. Distribution.**

18

19 (d) All revenue collected by the department from the  
20 taxes imposed by W.S. 39-15-204(a)(vii) shall be  
21 transferred to the state treasurer who shall:

22

1           (i) Deduct one percent (1%) to defray the costs  
2 of collecting the tax and administrative expenses incident  
3 thereto which shall be deposited into the general fund;

4  
5           (ii) Deposit the remainder into the trust and  
6 agency fund for monthly distribution to the incorporated  
7 municipality in which the tax has been imposed to be  
8 distributed immediately to the sponsoring entity;

9  
10           (iii) Any interest earned from investment of the  
11 revenues may only be used for costs related to the purposes  
12 approved on the ballot, including operation and maintenance  
13 costs, and shall be distributed to each sponsoring entity  
14 in the same proportion as its cost is to the total cost of  
15 all purposes identified on the ballot;

16  
17           (iv) If taxes collected exceed the amount  
18 necessary for the approved purpose, the excess funds shall  
19 be retained by the municipality for one (1) year for refund  
20 of overpayments of the tax imposed upon order of the  
21 department. After one (1) year any interest earned on the  
22 excess funds and the excess funds less any refunds ordered  
23 shall be transferred to the municipality as specified in  
24 the resolution adopted pursuant to W.S. 39-15-203(a)(vi).



1

2

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

3

4

(a) Taxable event. The following shall apply:

5

6

(v) The following provisions apply to imposition of the municipal specific purpose excise tax under W.S. 39-16-204(a)(vi):

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

(A) Any incorporated municipality located in a county wherein no incorporated municipality contains more than fifty percent (50%) of the population of the county may impose a specific purpose excise tax as authorized by W.S. 39-16-204(a)(vi). Population figures shall be based upon the official ten (10) year federal census preceding the time of election. Population figures based upon the official census may be periodically revised by a state population estimate not later than five (5) years following the federal census publication date. If a county has currently imposed a specific purpose excise tax as authorized by W.S. 39-16-204(a)(ii), an incorporated municipality may still impose a municipal specific purpose excise tax in the amount authorized by W.S. 39-16-204(a)(vi);

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

(B) The revenue from the tax shall be used in a specified amount for specific purposes authorized by the qualified electors. Specific purposes shall not include ordinary operations of local government except those operations related to a specific project;

(C) No tax shall be imposed under this paragraph until the proposition to impose the tax for specific purposes in specific amounts is approved by the vote of the majority of the qualified electors voting on the proposition. The amount of revenue to be collected and the purpose or purposes for which it is proposed to be used shall be specified in the proposition. The election shall be held in accordance with W.S. 22-21-101 through 22-21-112. Any debt created may also be repaid, in whole or in part, by a property tax levy if general obligation bonds are authorized by the electors. Any excise tax imposed under this subsection shall commence on the first day of the second month following the election approving the imposition of the tax, except that it shall commence on the first day of any subsequent month following the receipt of tax funds in the approved amount by any tax previously imposed under this subsection as provided by subparagraph

1 (E) of this paragraph. Unless terminated earlier by the  
2 sponsoring entities pursuant to subparagraph (G) of this  
3 paragraph, the tax shall terminate on the last day of the  
4 month following the month in which the amount approved by  
5 the electors is collected;

6  
7 (D) No debt may be incurred or approved  
8 which when added to the existing indebtedness of the  
9 sponsoring entity or entities, would exceed the  
10 constitutional debt limitation of the sponsoring entity or  
11 entities. However, nothing herein prohibits the approval of  
12 a proposition which establishes a fund for accumulation of  
13 funds sufficient to carry out the purpose approved or to  
14 pay a sufficient amount of the cost so as to bring the  
15 remainder of the debt within the debt limitation of the  
16 sponsoring entity or entities;

17  
18 (E) Upon certification of the election  
19 results by the municipality, the municipality shall, within  
20 ten (10) days, notify the department of revenue of the  
21 requirement for imposition of any tax under this paragraph  
22 and shall, upon the receipt of all tax funds in the amount  
23 approved, notify the department of revenue that the special  
24 sales tax levy is terminated. The department of revenue

1 shall, upon notification, inform all holders of sales tax  
2 licenses within the municipality of the requirement for the  
3 collection and payment of the additional tax. After receipt  
4 of notice that the amount has been collected or that the  
5 sponsoring entities have terminated the tax pursuant to  
6 subparagraph (G) of this paragraph, the department shall  
7 notify the license holders of the termination of the tax;

8  
9 (F) The first municipality imposing the tax  
10 provided by this paragraph shall be responsible for payment  
11 of costs incurred by the department to initially set up  
12 computer records and support systems for administration of  
13 this tax. These costs shall be withheld by the state  
14 treasurer from the proceeds to be distributed pursuant to  
15 the preceding paragraph until such costs are fully  
16 recovered;

17  
18 (G) The sponsoring entities may agree to  
19 terminate the tax if the tax collected reaches the actual  
20 cost of the completed projects and the amount specified in  
21 the proposition exceeds the actual cost of the completed  
22 projects. The sponsoring entities shall inform the  
23 department of revenue and the county treasurer that the tax  
24 is terminated.

1

2           **39-16-204. Taxation rate.**

3

4           (a) In addition to the state tax imposed under W.S.  
5 39-16-101 through 39-16-111 any county of the state may  
6 impose the following excise taxes, and city or town may  
7 impose the tax authorized by paragraph (vi) of this  
8 subsection, and any resort district may impose the tax  
9 authorized by paragraph (iv) of this subsection:

10

11           (ii) An excise tax not to exceed two percent  
12 (2%) upon sales and storage, use and consumption of  
13 tangible personal property, within the county. The total  
14 excise tax imposed within any county under this paragraph  
15 shall not exceed two percent (2%). If an incorporated  
16 municipality has previously imposed a tax under paragraph  
17 (vi) of this subsection, the rate of the tax imposed under  
18 this paragraph within the boundaries of the municipality  
19 shall be reduced by the rate imposed under paragraph (vi)  
20 of this subsection so that the total rate of tax within the  
21 boundaries of the municipality does not exceed two percent  
22 (2%). The revenue from the tax shall be used in a  
23 specified amount for specific purposes authorized by the  
24 qualified electors. Specific purposes shall not include

1 ordinary operations of local government except those  
2 operations related to a specific project;

3  
4 (vi) An excise tax not to exceed two percent  
5 (2%) upon sales and storage, use and consumption of  
6 tangible personal property, admissions and services made  
7 within an incorporated municipality, less the rate of any  
8 tax previously imposed by a county government under  
9 paragraph (ii) of this subsection. If the rate imposed  
10 under paragraph (ii) of this subsection is two percent  
11 (2%), the rate under this paragraph shall be zero (0). The  
12 revenue from the tax shall be used in a specified amount  
13 for specific purposes authorized by the qualified electors.  
14 Specific purposes shall not include ordinary operations of  
15 local government except those operations related to a  
16 specific project.

17

18 **39-16-211. Distribution.**

19

20 (d) All revenue collected by the department from the  
21 taxes imposed by W.S. 39-16-204(a)(vi) shall be transferred  
22 to the state treasurer who shall:

23

1           (i) Deduct one percent (1%) to defray the costs  
2 of collecting the tax and administrative expenses incident  
3 thereto which shall be deposited into the general fund;

4  
5           (ii) Deposit the remainder into the trust and  
6 agency fund for monthly distribution to the incorporated  
7 municipality in which the tax has been imposed to be  
8 distributed immediately to the sponsoring entity;

9  
10           (iii) Any interest earned from investment of the  
11 revenues may only be used for costs related to the purposes  
12 approved on the ballot, including operation and maintenance  
13 costs, and shall be distributed to each sponsoring entity  
14 in the same proportion as its cost is to the total cost of  
15 all purposes identified on the ballot;

16  
17           (iv) If taxes collected exceed the amount  
18 necessary for the approved purpose, the excess funds shall  
19 be retained by the municipality for one (1) year for refund  
20 of overpayments of the tax imposed upon order of the  
21 department. After one (1) year any interest earned on the  
22 excess funds and the excess funds less any refunds ordered  
23 shall be transferred to the municipality as specified in  
24 the resolution adopted pursuant to W.S. 39-16-203(a)(v).

1

2           **Section 2.** This act is effective January 1, 2013.

3

4

(END)