

HOUSE BILL NO. HB0141

Collection costs for debts owed to the state.

Sponsored by: Representative(s) Burkhardt and Madden and
Senator(s) Hicks, Meier and Peterson

A BILL

for

1 AN ACT relating to the collection of debts due the state or
2 other governmental entities; providing a fee for collection
3 costs when the state or governmental entity employs a
4 collection agency to recover debts due the state; amending
5 existing statutes; and providing for an effective date.

6

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

8

9 **Section 1.** W.S. 2-10-104(c), 9-1-415(a), 16-4-502(a),
10 16-6-112(a)(i) and (ii), 29-9-101, 31-2-402(d), 31-18-707,
11 39-13-108(b)(iv) and (d)(vi)(M), 39-14-103(c)(iii),
12 39-14-108(e)(iv) and (xiv), 39-14-203(c)(ii),
13 39-14-208(e)(xiv), 39-14-303(c)(iii), 39-14-403(c)(iii),
14 39-14-408(e)(xiv), 39-14-503(c)(iii), 39-14-508(e)(xiv),
15 39-14-603(c)(iii), 39-14-608(e)(xiv), 39-14-703(c)(iii),
16 39-14-708(e)(xiv), 39-15-103(c)(iv), 39-15-106(g)(ii),

1 39-15-107(b) (iv) and (x), 39-15-108(c) (viii) (B) and (xii),
2 39-16-103(c) (vii), 39-16-105(a) (vii) (A), 39-16-107(b) (v),
3 39-16-108(c) (v), (vi) and (e), 39-17-106(e) (iii) (C),
4 39-17-206(k) (iii) (C), 39-22-108(c) (iii) and 41-13-104(a)
5 are amended to read:

6

7 **2-10-104. Probate court to determine; discretion**
8 **allowed; presumption of correctness.**

9

10 (c) If the probate court finds that the assessment of
11 penalties, ~~and~~ interest and collection fees assessed in
12 relation to the tax is due to delay caused by the
13 negligence of the fiduciary, the court may charge the
14 fiduciary with the amount of the assessed penalties and
15 interest and collection fees.

16

17 **9-1-415. Collection of debts due the state; discharge**
18 **of uncollectible debts.**

19

20 (a) Except as provided in subsections (e) and (f) of
21 this section, any office or agency of the state may use the
22 services of a collection agency licensed in Wyoming to
23 assist in the collection of debts due the state or any
24 state office or agency. Any office or agency of the state

1 using a collection agency as provided in this section may
2 add a reasonable fee, payable by the debtor, to the
3 outstanding debt for the collection agency fee incurred or
4 to be incurred. The amount to be paid for collection
5 services shall be left to the agreement of the office or
6 agency and its collection agency or agencies, but in no
7 case shall a contingent fee exceed twenty-five percent
8 (25%) of the unpaid debt per account.

9
10 **16-4-502. Collection of debts due a governmental**
11 **entity; discharge of uncollectible debts.**

12
13 (a) The governing body of any governmental entity may
14 authorize the use of the services of a collection agency
15 licensed in Wyoming to assist in the collection of debts
16 due the governmental entity. Any office or agency of the
17 state using a collection agency as provided in this section
18 may add a reasonable fee, payable by the debtor, to the
19 outstanding debt for the collection agency fee incurred or
20 to be incurred. The amount to be paid for collection
21 services shall be left to the agreement of the office or
22 agency and its collection agency or agencies, but in no
23 case shall a contingent fee exceed twenty-five percent
24 (25%) of the unpaid debt per account.

1

2 **16-6-112. Contractor's bond or other guarantee; when**
3 **required; conditions; amount; approval; filing; enforcement**
4 **upon default.**

5

6 (a) Except as provided under W.S. 9-2-1016(b)(xviii),
7 any contract entered into with the state, any county, city,
8 town, school district or other political subdivision of the
9 state for the construction, major maintenance or renovation
10 of any public building or other public structure or for any
11 public work or improvement and the contract price exceeds
12 seven thousand five hundred dollars (\$7,500.00), shall
13 require any contractor before beginning work under the
14 contract to furnish the state or any political subdivision,
15 as appropriate, a bond or if the contract price is one
16 hundred fifty thousand dollars (\$150,000.00) or less, any
17 other form of guarantee approved by the state or the
18 political subdivision. The bond or other form of guarantee
19 shall be:

20

21 (i) Conditioned for the payment of all taxes,
22 excises, licenses, assessments, contributions, penalties,
23 collection fees and interest lawfully due the state or any
24 political subdivision;

1

2 (ii) For the use and benefit of any person
3 performing any work or labor or furnishing any material or
4 goods of any kind which were used in the execution of the
5 contract, conditioned for the performance and completion of
6 the contract according to its terms, compliance with all
7 the requirements of law and payment as due of all just
8 claims for work or labor performed, material furnished and
9 taxes, excises, licenses, assessments, contributions,
10 penalties, collection fees and interest accrued in the
11 execution of the contract;

12

13 **29-9-101. Lien of state on realty of debtor.**

14

15 The amount of every account audited, adjusted and found due
16 to the state including penalties, collection fees and
17 interest is a lien upon the real property of the person
18 charged with the debt. The lien shall be in effect from
19 the time suit commences for the recovery of the debt.

20

21 **31-2-402. Registration selling agents; application**
22 **for registration.**

23

1 (d) Except as hereafter provided, every person who
2 owns or uses a snowmobile which will be operated within the
3 state of Wyoming shall, for each snowmobile so owned or
4 used file or cause to be filed each year beginning July 1,
5 with any designated registration selling agent, an
6 application for registration of the snowmobile which shall
7 be in writing in duplicate. The application shall state the
8 name and address of the owner and the name of the applicant
9 and describe the snowmobile, including make, model, any
10 identifying serial numbers located on the snowmobile and
11 whether the snowmobile will be operated for private or
12 commercial use. At the time of application, the applicant
13 shall also present proof in a form approved by the
14 department of revenue that all sales or use tax due on the
15 snowmobile have been paid. Any person who knowingly
16 presents a false or fraudulent statement of proof is
17 subject to the provisions of W.S. 6-5-303, in addition to
18 any penalties, ~~and~~ interest and collection fees due for
19 nonpayment of sales or use tax on the snowmobile.

20

21 **31-18-707. Nonpayment of fees, taxes, penalties or**
22 **interest.**

23

1 All fees under chapter 18 of title 31, diesel fuel taxes,
2 penalty or interest under title 39 or commercial vehicle
3 registration fees under title 31 become delinquent if not
4 paid as provided for by law from the date due. Delinquent
5 diesel fuel taxes, penalties, interest, collection fees or
6 commercial vehicle registration fees are a lien on all
7 motor vehicles owned or operated in this state by the
8 person liable for payment of the taxes, penalties, interest
9 or fees. If any such taxes, penalties, interest or fees
10 remain delinquent for thirty (30) days or if any vehicle
11 subject to the lien is about to be removed from the state,
12 the department or its authorized enforcement agent may
13 seize and sell the vehicle subject to all existing liens
14 and security interests held by others, at public auction
15 upon notice to the owner and lienholder of record as
16 provided by Rule 4 of the Wyoming Rules of Civil Procedure,
17 and upon four (4) weeks notice of the sale in a newspaper
18 published in the counties in which the vehicle is titled
19 and registered. The department may bring suit in any court
20 of competent jurisdiction to collect any delinquent fees or
21 taxes, penalties, collection fees and interest under this
22 section.

23

24 **39-13-108. Enforcement.**

1

2 (b) Interest. The following shall apply:

3

4 (iv) Rail car companies. If the taxes levied
5 and payable to the department under W.S. 39-13-104(g) are
6 not paid on December 31 of the year levied, they shall
7 become delinquent and shall bear interest at the rate of
8 eleven percent (11%) per annum. If the taxes and interest
9 due are not paid before February 1 following the levy, the
10 department may collect them by distress and sale of any
11 property belonging to the delinquent owner in the manner
12 required of county treasurers, and the order of the
13 department shall be sufficient authority therefor. The
14 department may use any other remedy available for the
15 collection of monies due and may recover collection fees as
16 provided in W.S. 9-1-415(a).

17

18 (d) Liens. The following shall apply:

19

20 (vi) Liens on mineral production. The following
21 shall apply:

22

1 (M) All notice of tax liens shall be
2 released within sixty (60) days after taxes, penalties,
3 collection fees and interest due are paid or collected;

4

5 **39-14-103. Imposition.**

6

7 (c) Taxpayer. The following shall apply:

8

9 (iii) Any person extracting valuable products
10 subject to this chapter and any person owning an interest
11 in the valuable products to the extent of their interest
12 ownership are liable for the payment of the severance taxes
13 imposed by this article together with any penalties, ~~and~~
14 interest and collection fees.

15

16 **39-14-108. Enforcement.**

17

18 (e) Liens. The following shall apply:

19

20 (iv) All taxes, fees, penalties, ~~and~~ interest
21 and collection fees imposed under this article are an
22 automatic and continuing lien in favor of the state of
23 Wyoming. The lien is on all property in the state of
24 Wyoming, real, tangible and intangible, including all after

1 acquired property rights, future production and rights to
2 property, of any person severing minerals in this state and
3 who is liable under Wyoming law for the collection, payment
4 or remittance of the severance tax and corresponding
5 penalty or interest as of the date such taxes, fees,
6 penalties, ~~or~~ interest or collection fees is due, and
7 remains a lien until paid;

8

9 (xiv) All notice of tax liens shall be released
10 within sixty (60) days after taxes, penalties, collection
11 fees and interest due are paid or collected;

12

13 **39-14-203. Imposition.**

14

15 (c) Taxpayer. The following shall apply:

16

17 (ii) In the case of severance taxes, any person
18 extracting crude oil, lease condensate or natural gas and
19 any person owning an interest in the crude oil, lease
20 condensate or natural gas production to the extent of their
21 interest ownership are liable for the payment of the
22 severance taxes together with any penalties, ~~and~~ interest
23 and collection fees;

24

1 **39-14-208. Enforcement.**

2

3 (e) Liens. The following shall apply:

4

5 (xiv) All notice of tax liens shall be released
6 within sixty (60) days after taxes, penalties, collection
7 fees and interest due are paid or collected;

8

9 **39-14-303. Imposition.**

10

11 (c) Taxpayer. The following shall apply:

12

13 (iii) Any person extracting valuable products
14 subject to this article and any person owning an interest
15 in the valuable products to the extent of their interest
16 ownership are liable for the payment of the severance taxes
17 imposed by this article together with any penalties, and
18 interest and collection fees.

19

20 **39-14-403. Imposition.**

21

22 (c) Taxpayer. The following shall apply:

23

1 (iii) Any person extracting valuable products
2 subject to this article and any person owning an interest
3 in the valuable products to the extent of their interest
4 ownership are liable for the payment of the severance taxes
5 imposed by this article together with any penalties, ~~and~~
6 interest and collection fees.

7
8 **39-14-408. Enforcement.**

9
10 (e) Liens. The following shall apply:

11
12 (xiv) All notice of tax liens shall be released
13 within sixty (60) days after taxes, penalties, collection
14 fees and interest due are paid or collected;

15
16 **39-14-503. Imposition.**

17
18 (c) Taxpayer. The following shall apply:

19
20 (iii) Any person extracting valuable products
21 subject to this article and any person owning an interest
22 in the valuable products to the extent of their interest
23 ownership are liable for the payment of the severance taxes

1 imposed by this article together with any penalties, and
2 interest and collection fees.

3

4 **39-14-508. Enforcement.**

5

6 (e) Liens. The following shall apply:

7

8 (xiv) All notice of tax liens shall be released
9 within sixty (60) days after taxes, penalties, collection
10 fees and interest due are paid or collected;

11

12 **39-14-603. Imposition.**

13

14 (c) Taxpayer. The following shall apply:

15

16 (iii) Any person extracting valuable products
17 subject to this article and any person owning an interest
18 in the valuable products to the extent of their interest
19 ownership are liable for the payment of the severance taxes
20 imposed by this article together with any penalties, and
21 interest and collection fees.

22

23 **39-14-608. Enforcement.**

24

1 (e) Liens. The following shall apply:

2

3 (xiv) All notice of tax liens shall be released
4 within sixty (60) days after taxes, penalties, collection
5 fees and interest due are paid or collected;

6

7 **39-14-703. Imposition.**

8

9 (c) Taxpayer. The following shall apply:

10

11 (iii) Any person extracting valuable products
12 subject to this article and any person owning an interest
13 in the valuable products to the extent of their interest
14 ownership are liable for the payment of the severance taxes
15 imposed by this article together with any penalties, and
16 interest and collection fees.

17

18 **39-14-708. Enforcement.**

19

20 (e) Liens. The following shall apply:

21

22 (xiv) All notice of tax liens shall be released
23 within sixty (60) days after taxes, penalties, collection
24 fees and interest due are paid or collected;

1

2 **39-15-103. Imposition.**

3

4 (c) Taxpayer. The following shall apply:

5

6 (iv) The vendor shall file a return within
7 thirty (30) days after discontinuing or selling his
8 business. His successor in business shall withhold from the
9 purchase price enough money to pay the taxes, penalties and
10 interest due on the outstanding amount of all credit,
11 installment and conditional sales upon which the tax has
12 not been paid until the time the former owner produces a
13 receipt from the department showing that all taxes have
14 been paid or a certificate that no taxes are due. If the
15 successor fails to withhold from the purchase price the
16 amount due and the taxes, penalty and interest are unpaid
17 the original vendor and successor vendor are liable for the
18 payment of the unpaid taxes, penalties, collection fees and
19 interest.

20

21 **39-15-106. Licenses; permits.**

22

23 (g) The department may, after providing notice and an
24 opportunity for a hearing, revoke the license of any vendor

1 violating any provision of this article and no license
2 shall thereafter be issued to that person until the
3 applicant has:

4
5 (ii) Filed with the department all past due
6 returns and has remitted in full all taxes, penalties,
7 collection fees and interest due.

8

9 **39-15-107. Compliance; collection procedures.**

10

11 (b) Payment. The following shall apply:

12

13 (iv) A person regularly engaged in the business
14 of making loans or a supervised financial institution, as
15 defined in W.S. 40-14-140(a)(xix), that forecloses a lien
16 or repossesses a motor vehicle on which it has filed a
17 lien, or an insurance company that acquires ownership of a
18 motor vehicle pursuant to a damage settlement, shall not be
19 liable for payment of sales or use tax, penalties,
20 collection fees or interest due under this section or W.S.
21 39-16-107 for that vehicle;

22

23 (x) The department may enter into contracts with
24 collection agencies for required collection services on

1 deficiencies of sales tax occurring under W.S. 39-15-101
2 through 39-15-111 from and after the reporting period of
3 January, 1989. Any taxes collected by the collection
4 agencies shall be distributed in accordance with W.S.
5 39-15-111(b). ~~There is continuously appropriated from the~~
6 ~~general fund, to the department, an amount equal to the~~
7 ~~cost of collection under each contract but not to exceed~~
8 ~~fifty percent (50%) of the amounts collected by collection~~
9 ~~agencies, under a contract. The department shall expend~~
10 ~~those funds appropriated solely for collection agency~~
11 ~~services and may authorize in the contracts for those~~
12 ~~services that collection agency costs be deducted from~~
13 ~~funds collected and remitted to the department~~ A reasonable
14 fee for the collection fees incurred or to be incurred, in
15 accordance with W.S. 9-1-415(a), may be authorized in the
16 contracts. The contracts entered into under this paragraph
17 shall not be for a term of more than two (2) years and
18 shall be awarded only after competition;

19

20 **39-15-108. Enforcement.**

21

22 (c) Penalties. The following shall apply:

23

1 (viii) The department may, after providing
2 notice and an opportunity for a hearing, revoke the license
3 of any vendor violating any provision of this article and
4 no license shall thereafter be issued to that person until
5 the applicant has:

6

7 (B) Filed with the department all past due
8 returns and has remitted in full all taxes, penalties,
9 collection fees and interest due.

10

11 (xii) If a vendor fails to file a return as
12 required by this article, the department shall give written
13 notice by mail to the vendor to file a return on or before
14 the last day of the month following the notice of
15 delinquency. If a vendor then fails to file a return the
16 department shall make a return from the best information
17 available which will be prima facie correct and the tax due
18 therein is a deficiency and subject to penalties, and
19 interest and collection fees as provided by this article;

20

21 **39-16-103. Imposition.**

22

23 (c) Taxpayer. The following shall apply:

24

1 (vii) If any vendor discontinues his business or
2 sells his stock of goods he shall make a final return and
3 payment within thirty (30) days thereafter. His successor
4 in business shall withhold from the purchase price an
5 amount equal to any taxes, penalty, collection fees or
6 interest due until the time the former owner produces a
7 receipt from the department showing that all amounts due
8 have been paid or a certificate that no taxes are due. If
9 the successor fails to withhold from the purchase price the
10 amount due he is liable for same;

11

12 **39-16-105. Exemptions.**

13

14 (a) The following purchases or leases are exempt from
15 the excise tax imposed by this article:

16

17 (vii) For the purpose of exempting sales of
18 services provided primarily to businesses, exemptions shall
19 be as specified by the legislature and as follows:

20

21 (A) A person regularly engaged in the
22 business of making loans or a supervised financial
23 institution, as defined in W.S. 40-14-140(a)(xix), that
24 forecloses a lien or repossesses a motor vehicle on which

1 it has filed a lien shall not be liable for payment of
2 sales or use tax, penalties, collection fees or interest
3 due under W.S. 39-16-108(b) and (c) for that vehicle;

4

5 **39-16-107. Compliance; collection procedures.**

6

7 (b) Payment. The following shall apply:

8

9 (v) If any vendor discontinues his business or
10 sells his stock of goods he shall make a final return and
11 payment within thirty (30) days thereafter. His successor
12 in business shall withhold from the purchase price an
13 amount equal to any taxes, penalty, collection fees or
14 interest due until the time the former owner produces a
15 receipt from the department showing that all amounts due
16 have been paid or a certificate that no taxes are due. If
17 the successor fails to withhold from the purchase price the
18 amount due he is liable for same;

19

20 **39-16-108. Enforcement.**

21

22 (c) Penalties. The following shall apply:

23

1 (v) If the taxes, penalty, collection fees and
2 interest due under this section are unpaid within ten (10)
3 days following service of notice an additional penalty of
4 ten percent (10%) and interest as provided by paragraph (i)
5 of this subsection shall be added by the department;

6

7 (vi) The department shall promptly give written
8 notice of all taxes, penalty, collection fees and interest
9 due under this section by personal service or mail to the
10 address as shown in the department records;

11

12 (e) Tax sales. At any time following a delinquency
13 the department with board approval may seize and sell at
14 public auction any property owned by the delinquent
15 taxpayer to pay all taxes, penalty, collection fees and
16 interest due plus the cost involved in seizing and selling
17 the property. Notice of the sale showing its time and place
18 shall be mailed to the delinquent taxpayer at least ten
19 (10) days prior to the sale. The notice shall also be
20 printed in a newspaper of general circulation published in
21 the county wherein the seized property is to be sold at
22 least ten (10) days prior to the sale. If no newspaper is
23 published in the county the notice shall be posted in three
24 (3) public places ten (10) days prior to the sale. The

1 notice shall contain a description of the property to be
2 sold, a statement of the entire amount due, the name of the
3 delinquent taxpayer and a statement that unless the amount
4 due is paid on or before the time of sale, the property or
5 so much thereof as necessary shall be sold. The department,
6 with board approval, shall give the purchaser a bill of
7 sale for personal property or a deed for real property
8 purchased at the sale. Any unsold property seized may be
9 left at the sale at the risk of the delinquent taxpayer. If
10 the monies received at the sale are in excess of the amount
11 due the excess shall be given to the delinquent taxpayer
12 upon his receipt therefor. If a receipt by the delinquent
13 taxpayer is not given the department shall deposit the
14 excess with the state treasurer as trustee for the
15 delinquent taxpayer.

16

17 **39-17-106. Licenses; permits.**

18

19 (e) The department may require bonds, or accept in
20 lieu of a bond a certificate of deposit meeting the
21 requirements of paragraph (vi) of this subsection, under
22 this article as follows:

23

1 (iii) The bond shall be executed with a
2 corporate surety duly licensed to do business in this
3 state. In lieu of a corporate surety bond, the department
4 may accept a cash bond made payable to the department. Any
5 interest earned on a cash bond shall accrue to the
6 licensee. The bond shall be:

7

8 (C) Guarantee payment of delinquent taxes,
9 penalties, collection fees and interest due under this
10 article and the return of the license issued under this
11 article;

12

13 **39-17-206. Licenses; permits.**

14

15 (k) The department may require bonds, or accept in
16 lieu of a bond a certificate of deposit meeting the
17 requirements of paragraph (vi) of this subsection, under
18 this article as follows:

19

20 (iii) The bond shall be executed with a
21 corporate surety duly licensed to do business in this
22 state. In lieu of a corporate surety bond, the department
23 may accept a cash bond made payable to the department. Any

1 interest earned on a cash bond shall accrue to the
2 licensee. The bond shall be:

3

4 (C) Guarantee payment of delinquent taxes,
5 penalties, collection fees and interest due under this
6 article and the return of the license issued under this
7 article;

8

9 **39-22-108. Enforcement.**

10

11 (c) Penalties. The following shall apply:

12

13 (iii) Taxes due together with interest,
14 penalties, collection fees and costs shall be collectible
15 by the department by appropriate judicial proceedings;

16

17 **41-13-104. Application for certificate; issuance of**
18 **certificate and assignment of number; conformity with**
19 **federal numbering system; expiration and renewal of**
20 **certificate; transfer of ownership; duplicate certificate;**
21 **manufacturer and dealer certificates.**

22

23 (a) The owner of each motorboat requiring numbering
24 by this state shall apply for a number with the department

1 or any place selling game and fish licenses on forms
2 approved by the department. The application shall be signed
3 by the owner and accompanied by the fee required by W.S.
4 41-13-109. At the time of application, the applicant shall
5 also present proof in a form approved by the department of
6 revenue that all sales or use tax due on the motorboat have
7 been paid. Any person who knowingly presents a false or
8 fraudulent statement of proof is subject to the provisions
9 of W.S. 6-5-303, in addition to any penalties, collection
10 fees and interest due for nonpayment of sales or use tax on
11 the motorboat. Upon receipt of the application in approved
12 form the department shall issue to the applicant a
13 certificate of number stating the number awarded to the
14 motorboat and the name and address of the owner. The owner
15 shall paint on or attach to each side of the bow of the
16 motorboat the identification number in such manner as may
17 be prescribed by rules and regulations of the commission in
18 order that it may be completely visible. The number shall
19 be maintained in legible condition. The certificate of
20 number shall be pocket size and shall be available at all
21 times for inspection on the motorboat for which issued,
22 wherever the motorboat is operated. If any motorboat is
23 rented for less than one (1) day, the owner or his designee

1 may retain the certificate of number on shore if the
2 certificate is readily available for inspection.

3

4 **Section 2.** This act is effective July 1, 2014.

5

6

(END)