

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO. _____

Taxation of specified digital products.

Sponsored by: HDRAFT

A BILL

for

1 AN ACT relating to excise tax; imposing the sales and use
2 tax on specified digital products as specified; providing
3 exceptions; 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. 39-15-103(a)(i) by creating a new
8 subparagraph (P) and 39-16-103 is amended to read:

9

10 **39-15-103. Imposition.**

11

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

13

1 (i) Except as provided by W.S. 39-15-105, there
2 is levied an excise tax upon:

3
4 (P) Except as otherwise provided in this
5 subparagraph, the sales price of every retail sale or
6 rental of specified digital products within the state. A
7 sale or rental of specified digital products is only
8 subject to the tax under this section if the purchaser has
9 permanent use, possession and control of the specified
10 digital product or less than permanent use, possession and
11 control of the digital product if the period of use,
12 possession and control is greater than the actual play time
13 of the specified digital product. The sale or rental of
14 specified digital products which are streamed to the
15 purchaser are not subject to the tax under this section if
16 the purchaser has use, possession and control of the
17 specified digital product only during the time that the
18 product is being streamed to the purchaser. A vendor who
19 purchases specified digital products for further commercial
20 broadcast, rebroadcast, transmission, retransmission,
21 licensing, relicensing, distribution, redistribution or
22 exhibition in whole or in part to another person shall be

1 considered a wholesaler and not subject to the tax imposed
2 by this article.

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4 **39-16-103. Imposition.**

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

7
8 (i) Persons storing, using or consuming tangible
9 personal property or specified digital products, except as
10 otherwise provided in this paragraph, are liable for the
11 tax imposed by this article. Specified digital products are
12 only subject to the tax imposed by this article if the
13 purchaser has permanent use, possession and control of the
14 specified digital product or less than permanent use,
15 possession and control of the digital product if the period
16 of use, possession and control is greater than the actual
17 play time of the specified digital product. The sale or
18 rental of specified digital products which are streamed to
19 the purchaser are not subject to the tax imposed by this
20 article if the purchaser has use, possession and control of
21 the specified digital product only during the time that the
22 product is being streamed to the purchaser. A vendor who
23 purchases specified digital products for further commercial

1 broadcast, rebroadcast, transmission, retransmission,
2 licensing, relicensing, distribution, redistribution or
3 exhibition in whole or in part to another person shall be
4 considered a wholesaler and not subject to the tax imposed
5 by this article. The liability is not extinguished until
6 the tax has been paid to the state but a receipt given to
7 the person by a registered vendor in accordance with
8 paragraph (c)(i) of this section is sufficient to relieve
9 the purchaser from further liability;

10
11 (ii) Specified digital products sold or rented
12 and tangible personal property sold by any person for
13 delivery in this state is deemed sold for storage, use or
14 consumption herein and is subject to the tax imposed by
15 this article unless the person selling or renting the
16 property has received from the purchaser a signed
17 certificate stating the property was purchased for resale
18 and showing his name and address. Specified digital
19 products are only subject to the tax imposed by this
20 article as specified in paragraph (i) of this subsection;

21
22 (b) Basis of tax. The following shall apply:
23

1 (i) Specified digital products sold or rented
2 and tangible personal property sold by any person for
3 delivery in this state is deemed sold for storage, use or
4 consumption herein and is subject to the tax imposed by
5 this article unless the person selling the property has
6 received from the purchaser a signed certificate stating
7 the property was purchased for resale and showing his name
8 and address. Specified digital products are only subject
9 to the tax imposed by this article as specified in
10 subsection(a)(i) of this section;

11
12 (c) Taxpayer. The following shall apply:

13
14 (ii) Persons storing, using or consuming
15 tangible personal property or specified digital products
16 are liable for the tax imposed by this article. Specified
17 digital products are only subject to the tax imposed by
18 this article as specified in subsection(a)(i) of this
19 section The liability is not extinguished until the tax
20 has been paid to the state but a receipt given to the
21 person by a registered vendor in accordance with paragraph
22 (i) of this subsection is sufficient to relieve the
23 purchaser from further liability;

1

2 (vi) Every person storing, using or consuming
3 tangible personal property or specified digital products
4 purchased from a vendor who does not maintain a place of
5 business in this state is liable for the tax imposed by
6 this article. Specified digital products are only subject
7 to the tax imposed by this article as specified in
8 subsection(a)(i) of this section;

9

10 **Section 2.** This act is effective July 1, 2010

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(END)