

HOUSE BILL NO. HB0093

Sales tax on food-permanent exemption 2.

Sponsored by: Representative(s) Anderson, R.

A BILL

for

1 AN ACT relating to taxation and revenue; removing the sales
2 and use tax on food as specified; amending the sales and
3 use tax distribution formula; repealing the optional
4 reduction in sales and use tax rate based upon the general
5 fund balance to stabilize revenue as specified; and
6 providing for an effective date.

7

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

9

10 **Section 1.** W.S. 39-15-101(a) by creating a new
11 paragraph (xxxix), 39-15-105(a)(vi) by creating a new
12 subparagraph (E), 39-15-111(b)(i), (iii)(intro) and (f),
13 39-16-101(a) by creating a new paragraph (xvii),
14 39-16-105(a)(vi) by creating a new subparagraph (E) and
15 39-16-111(b)(i), (iii)(intro) and (c) are amended to read:

16

17 **39-15-101. Definitions.**

1

2 (a) As used in this article:

3

4 (xxxix) "Food" means food for domestic home
5 consumption as defined by department rule and regulation.

6

7 **39-15-105. Exemptions.**

8

9 (a) The following sales or leases are exempt from the
10 excise tax imposed by this article:

11

12 (vi) For the purpose of exempting sales of
13 services and tangible personal property which are essential
14 human goods and services, the following are exempt:

15

16 (E) Sales of food for domestic home
17 consumption.

18

19 **39-15-111. Distribution.**

20

21 (b) Revenues earned under W.S. 39-15-104 during each
22 fiscal year shall be recognized as revenue during that
23 fiscal year for accounting purposes. Revenue collected by

1 the department under W.S. 39-15-104 shall be transferred to
2 the state treasurer who shall:

3
4 (i) Until June 30, ~~2004~~2008, ~~subject to~~
5 ~~subsection (g) of this section,~~ credit ~~seventy and one half~~
6 ~~percent (70.5%) and thereafter~~ sixty-nine percent (69%) and
7 thereafter sixty-seven and two-tenths percent (67.2%) to
8 the state general fund except as provided by subsections
9 (c) and (d) of this section;

10
11 (iii) From the remaining share, ~~until June 30,~~
12 ~~2004, deduct an amount equivalent to one half percent~~
13 ~~(0.5%) and thereafter~~ deduct an amount equivalent to one
14 percent (1%) of the tax collected under W.S. 39-15-104.
15 From this amount, the state treasurer shall distribute
16 ~~until June 30, 2004, twenty thousand dollars (\$20,000.00)~~
17 ~~and thereafter~~ forty thousand dollars (\$40,000.00) annually
18 to each county in equal monthly installments and then
19 distribute the remainder to each county in the proportion
20 that the total population of the county bears to the total
21 population of the state. The balance shall then be paid
22 monthly to the treasurers of the counties, cities and towns
23 for payment into their respective general funds. The
24 percentage of the balance that will be distributed to each

1 county and its cities and towns will be determined by
2 computing the percentage that net sales taxes collected
3 attributable to vendors in each county including its cities
4 and towns bear to total net sales taxes collected of
5 vendors in all counties including their cities and towns.
6 Subject to subsection (h) of this section, this percentage
7 of the balance shall be distributed within each county as
8 follows:

9
10 (f) In addition to the distribution specified in
11 subsection (b) of this section, until June 30, ~~2004~~2008,
12 ~~twenty-nine and one half percent (29.5%) and thereafter~~
13 ~~thirty-one percent (31%)~~ and thereafter thirty-two and
14 eight-tenths percent (32.8%) of sales taxes collected from
15 out-of-state vendors shall be distributed to counties,
16 cities and towns in the same percentage as determined in
17 paragraph (b)(iii) of this section.

18
19 **39-16-101. Definitions.**

20
21 (a) As used in this article:

22
23 (xvii) "Food" means food for domestic home
24 consumption as defined by department rule and regulation.

1

2 **39-16-105. Exemptions.**

3

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

6

7 (vi) For the purpose of exempting sales of
8 services and tangible personal property and services which
9 are essential human goods and services, the following are
10 exempt:

11

12 (E) Purchases of food for domestic home
13 consumption.

14

15 **39-16-111. Distribution.**

16

17 (b) Revenues earned under this article during each
18 fiscal year shall be recognized as revenue during that
19 fiscal year for accounting purposes. Revenue collected by
20 the department from the taxes imposed by this article shall
21 be transferred to the state treasurer who shall:

22

23 (i) Until June 30, ~~2004~~2008, ~~subject to~~
24 ~~subsection (g) of this section,~~ credit ~~seventy and one half~~

1 ~~percent (70.5%) and thereafter~~ sixty-nine percent (69%) and
2 thereafter sixty-seven and two-tenths percent (67.2%) to
3 the general fund except as provided by subsections (d) and
4 (e) of this section;

5
6 (iii) From the remaining share, ~~until June 30,~~
7 ~~2004, deduct an amount equivalent to one half percent~~
8 ~~(0.5%) and thereafter~~ deduct an amount equivalent to one
9 percent (1%) of the tax collected under W.S. 39-16-104.
10 From this amount, the state treasurer shall distribute
11 ~~until June 30, 2004, five thousand dollars (\$5,000.00) and~~
12 ~~thereafter~~ ten thousand dollars (\$10,000.00) annually to
13 each county in equal monthly installments and then
14 distribute the remainder to each county in the proportion
15 that the total population of the county bears to the total
16 population of the state. The remainder shall then be paid
17 monthly to the treasurers of the counties, cities and towns
18 for payment into their respective general funds. The
19 percentage of the remainder that will be distributed to
20 each county and its cities and towns will be determined by
21 computing the percentage that net use taxes collected
22 attributable to vendors in each county including its cities
23 and towns bear to total net use taxes collected of vendors

1 in all counties including their cities and towns. The
2 distribution shall be as follows:

3

4 (c) In addition to the distribution in subsection (b)
5 of this section, until June 30, ~~2004-2008~~, ~~twenty nine and~~
6 ~~one half percent (29.5%) and thereafter~~ thirty-one percent
7 (31%) and thereafter thirty-two and eight-tenths percent
8 (32.8%) of use taxes accruing from out-of-state vendors
9 shall be distributed to counties, cities and towns in the
10 same percentage as determined in paragraph (b)(iii) of this
11 section.

12

13 **Section 2.** W.S. 39-15-104(d), 39-15-111(g),
14 39-16-104(d) and 39-16-111(g) are repealed.

15

16 **Section 3.** This act is effective July 1, 2007.

17

18 (END)