

HOUSE BILL NO. HB0052

Sales tax exception-related business entities.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to taxation; providing that the lease of
2 tangible assets between related business entities is not
3 subject to taxation as specified; providing a definition;
4 and providing for an effective date.

5

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

7

8 **Section 1.** W.S. 39-15-101(a)(vii)(intro), by creating
9 a new subparagraph (M) and by amending and renumbering (M)
10 as (N) is amended to read:

11

12 **39-15-101. Definitions.**

13

14 (a) As used in this article:

15

1 (vii) "Sale" means any transfer of possession in
2 this state for a consideration including the fabrication of
3 tangible personal property when the materials are furnished
4 by the purchaser but excluding an exchange or transfer of
5 tangible personal property upon which the seller or lessor
6 has directly or indirectly paid sales or use tax incidental
7 to:

8
9 (M) The lease or rental of tangible
10 personal property for consideration between parent and
11 closely held subsidiary corporations, between subsidiary
12 corporations closely held by the same parent corporation,
13 or between affiliated companies, partnerships, corporations
14 or other business entities which are owned in similar
15 percentages by the same persons. As used in this
16 subparagraph, "closely held subsidiary corporation" means a
17 corporation in which the parent corporation owns stock
18 possessing at least eighty percent (80%) of the total
19 combined voting power of all classes of stock entitled to
20 vote and owns at least eighty percent (80%) of the total
21 number of shares of all other classes of stock;

22

1 ~~(M)~~ (N) The sale of a business entity when
2 sold to a purchaser of all or not less than eighty percent
3 (80%) of the value of all of the assets which are located
4 in this state of the business entity when the purchaser
5 continues to use the tangible personal property in the
6 operation of an ongoing business entity in this state. As
7 used in ~~this subparagraph~~ subparagraphs (M) and (N) of this
8 section, "business entity" means and includes an
9 individual, partnership, corporation, corporate division,
10 joint stock company or any other association or entity,
11 public or private, or separate business unit thereof.

12

13 **Section 2.** This act is effective July 1, 2015.

14

15 (END)