

FISCAL NOTE

The fiscal impact, in the form of a property tax revenue decrease to the School Foundation Program and local governments, is indeterminable.

Under this bill, specialized equipment used in the production of energy that is stored in Wyoming prior to installation in Wyoming would be exempt from property taxation.

The Department of Revenue (DOR) is unable to identify the value of this type of equipment on the current tax rolls as various terms are used to describe this property, such as "Inventory"; "Construction work in Progress (CWIP); "Material and Supplies"; Spare parts" etc. All are required to be reported by the property owner and assessed for property taxation under current law. This includes both locally assessed companies (refineries, mineral extraction etc.) which are appraised by county assessors and State assessed companies (electric utilities) which are appraised by the DOR. The value of equipment stored in Wyoming in the future cannot be determined.

The DOR states that the administration of this bill would require the following terms to be defined either by rule or statute:

- Specialized equipment
- Standard building materials
- Construction equipment, and
- Equipment or materials not directly used in the production of energy.

Wyoming is dependent on property owners to self-report all furniture, fixtures and equipment located in our state. Administration of the proposed exemption would require owners make application on an annual basis and provide required documentation.