

FISCAL NOTE

	FY 2020	FY 2021	FY 2022
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase/(decrease)			
GENERAL FUND	(\$2,000,000)	(\$2,040,000)	(\$2,070,000)
LOCAL TAX REPAYMENT ACCOUNT	\$2,000,000	\$2,040,000	\$2,070,000

Source of revenue increase(decrease):

Diversion of the 1% administrative fee on the 4% state sales tax from the General Fund to the proposed Local Tax Repayment Account; Funds in the proposed account are continuously appropriated to the Department of Revenue (DOR) for distribution to local tax jurisdictions if DOR determines that a vendor remitted tax to the incorrect jurisdiction. If the amount of funds in the proposed account is \$5 million or more, funds would be credited to the General Fund.

Assumptions:

The above estimate is based on the General Fund share of the 4% sales & use taxes projected in Table 1 of the January 2019 CREG forecast. This estimate is also based on the ratio of sales taxes distributed to total sales & use taxes distributed to the General Fund in FY 2018.

Since the amount that may be distributed from the proposed account is unknown, the amount that may be credited to the General Fund is indeterminable.

The DOR states that outside of a full scope audit, there is no way to determine whether an out-of-state vendor is reporting tax collected in the proper jurisdictions, as they may have sales in all 23 Wyoming jurisdictions. For in-state licensed vendors the DOR is only able to make assumptions that the vendor should report at least some of their sales in the jurisdiction in which the business is located, however these vendors could also have sales in other jurisdictions.

NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.

The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

Department of Revenue
 Department of Audit

Prepared by: Dean Temte, LSO Phone: 777-7881
 (Information provided by Terri Lucero, Department of Revenue, 777-5220;
 Shane Taylor, Department of Audit, 777-7726)