

SENATE FILE NO. SF0061

Amortization of sales and use tax.

Sponsored by: Joint Minerals, Business & Economic
Development Interim Committee

A BILL

for

1 AN ACT relating to sales and use taxes; providing for
2 amortized payments of sales and use taxes for projects with
3 specified expenditures; providing for distribution of
4 payments; 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. 39-15-107(b) by creating a new
9 paragraph (xii), 39-15-111 by creating a new subsection
10 (r), 39-16-107(b) by creating a new paragraph (x) and
11 39-16-111 by creating a new subsection (p) are amended to
12 read:

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14 **39-15-107. Compliance; collection procedures.**

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1 (b) Payment. The following shall apply:

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3 (xii) If on or after July 1, 2021 any taxpayer
4 develops a project to be completed in Wyoming that is
5 reasonably anticipated to have expenditures subject to
6 Wyoming sales and use tax over the first two (2) years of
7 construction and operation of the project in excess of five
8 million dollars (\$5,000,000.00), the taxpayer may apply to
9 the department to amortize the sales taxes imposed under
10 W.S. 39-15-104 and transferred under W.S. 39-15-111(b)(i)
11 and (ii) and the use taxes imposed under W.S. 39-16-104 and
12 transferred under W.S. 39-16-111(b)(i) and (ii) due over
13 the expected life of the project not to exceed a period of
14 ten (10) years. The department shall establish amortization
15 schedules, fees, terms and conditions for each project that
16 is approved for amortization under this paragraph. Interest
17 rates for approved projects under this paragraph shall be
18 established by the department to account for inflation
19 during the term of amortization. The department shall
20 establish and publish not less than once annually fixed
21 terms, fees and rates that are available for taxpayers to
22 amortize the sales and use taxes as provided by this
23 paragraph. The amortization agreement shall include a lien

1 upon the property of the project for which sales and use
2 taxes are amortized under this paragraph. The lien shall be
3 paramount and superior to any other lien or encumbrance
4 created before or after. A failure to pay pursuant to the
5 terms and conditions established by the department shall
6 subject the taxpayer to all enforcement provisions under
7 this article. The department shall adopt rules necessary to
8 administer the amortization program under this paragraph
9 including requiring full payment of any outstanding amount
10 of payments within thirty (30) days if the taxpayer
11 discontinues his business or discontinues the project. If a
12 taxpayer is approved for amortization of sales and use tax
13 payments under this paragraph, no vendor shall be liable
14 for returns, reports or payment of taxes related to the
15 applicable project under this section. As used in this
16 paragraph, "project" means any land, building or other
17 improvement and all real and personal property including
18 machinery and equipment that results in an increase to the
19 assessed valuation of the county or counties in which the
20 project will be located, that creates employment
21 opportunities within the state or that otherwise adds
22 economic value to goods, services or resources within the
23 state.

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2 **39-15-111. Distribution.**

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4 (r) Revenues from amortized payments made for a
5 project that is approved for amortized payments under W.S.
6 39-15-107(b)(xii) shall be recognized as revenue during the
7 fiscal year the payments are made for accounting purposes.
8 Revenue collected from amortization payments shall be
9 distributed in accordance with subsection (b) of this
10 section.

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12 **39-16-107. Compliance; collection procedures.**

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14 (b) Payment. The following shall apply:

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16 (x) Payments of use taxes that are for a project
17 that has been approved for amortized payments under W.S.
18 39-15-107(b)(xii) shall be made in accordance with the
19 amortization schedule, terms and conditions established for
20 the project by the department pursuant to W.S.
21 39-15-107(b)(xii).

22

23 **39-16-111. Distribution.**

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2 (p) Revenues from amortized payments made for a
3 project that is approved for amortized payments as provided
4 in W.S. 39-16-107(b)(x) shall be recognized as revenue
5 during the fiscal year the payments are made for accounting
6 purposes. Revenue collected from amortization payments
7 shall be distributed in accordance with subsection (b) of
8 this section.

9

10 **Section 2.** This act is effective July 1, 2021.

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(END)