

SENATE FILE NO. SF0038

Monthly ad valorem tax revisions.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to ad valorem taxation of mineral  
2 production; clarifying and modifying the reporting and  
3 payment of ad valorem taxes on mineral production;  
4 clarifying and modifying provisions for the payment of  
5 deferred taxes; providing an appropriation; and providing  
6 for an effective date.

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

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10 **Section 1.** W.S. 39-13-113(b)(intro), (d) and (g) is  
11 amended to read:

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13 **39-13-113. Monthly payment of ad valorem tax on gross**  
14 **product of mineral production.**

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1           (b) Except as provided in this section, all mineral  
2 and mine producers in the state shall report ad valorem  
3 mineral production to the department on or before the  
4 twenty-fifth day of the second month following the month of  
5 production and shall pay the ad valorem tax on mineral  
6 production for each county on a monthly basis as indicated  
7 on an invoice sent by the department. The department shall  
8 invoice each producer on or before the tenth day of the  
9 month following the report. Payments shall be due and  
10 payable to the department on or before the twenty-fifth day  
11 of the ~~second~~third month following the month of  
12 production. Payments under this subsection shall not be  
13 less than the amount calculated by the ~~taxpayer~~department  
14 by applying the mill levy rate established by the county in  
15 the immediately preceding year to the value of the gross  
16 product of minerals and mine products produced each month.  
17 Annually, on or before September 20, the county treasurer  
18 shall send a written statement to each taxpayer by mail at  
19 his last known address or, if offered by the county and  
20 upon request of the taxpayer, by electronic transmission,  
21 of any tax due or overpayment received after applying the  
22 amount the county has received from that taxpayer through  
23 monthly payments under this section by reconciling those

1 payments with the applicable mill levy rate for that  
2 production year, itemized as to property description,  
3 assessed value and applicable mill levies. Failure to send  
4 notice, or to demand payment of taxes, does not invalidate  
5 any taxes due. The taxpayer shall reconcile the amount  
6 indicated on the notice as follows:

7  
8 (d) If a taxpayer's liability for severance tax as  
9 imposed under chapter 14 of this title is less than thirty  
10 thousand dollars (\$30,000.00) for the preceding calendar  
11 year, the monthly payment requirements for the ad valorem  
12 tax on mineral production under this chapter are waived and  
13 the taxpayer shall report to the department on or before  
14 the twenty-fifth day of February of the year following the  
15 production year and shall pay the ad valorem tax on mineral  
16 production annually as ~~provided in this subsection~~  
17 indicated on an invoice sent by the department. The  
18 department shall invoice each producer on or before the  
19 tenth day of the month following the report. The ~~annual~~  
20 ~~report and~~ payment shall be due and payable on ~~February~~  
21 March 25 of the year following the year of production.  
22 Annual payments shall be calculated by the ~~taxpayer~~  
23 department by applying the mill levy rate established by

1 the county commissioners in the production year, ~~along with~~  
2 ~~any adjustments made in accordance with law and reported by~~  
3 ~~the county to the department by January 15 of the year~~  
4 ~~following the production year,~~ to the value of the gross  
5 product of minerals and mine products produced in the  
6 applicable year. Annual payments made under this subsection  
7 shall be paid to the department and deposited with the  
8 applicable county treasurer as provided in subsection (c)  
9 of this section and reconciled as provided in subsection  
10 (b) of this section.

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12 (g) Notwithstanding subsection (a) of this section  
13 and except as otherwise provided in subsections (d) and (f)  
14 of this section, estimated monthly ad valorem tax payments  
15 shall first be due under this section beginning with  
16 production on January 1, 2022. The ad valorem tax on  
17 mineral production from calendar years 2020 and 2021 shall  
18 be paid as provided in this subsection. Fifty percent (50%)  
19 of taxes due for production from calendar year 2020 shall  
20 be due on and after September 1, 2021 and payable to the  
21 counties on and after November 10, 2021. ~~Unless the entire~~  
22 ~~tax due for production from calendar year 2020 is paid by~~  
23 ~~December 31, 2021,~~ The remaining fifty percent (50%) of the

1 taxes due for production from calendar year 2020, unless  
2 the entire tax due for production from calendar year 2020  
3 is paid by December 31, 2021, and all taxes due from  
4 production in calendar year 2021 shall be paid through  
5 deferred payments as provided in this subsection. The total  
6 amount of ~~2020 and 2021 remaining deferred~~ taxes due under  
7 this subsection shall be calculated by the department and  
8 the applicable counties. The taxpayer shall make an  
9 additional payment for deferred taxes under this subsection  
10 on December 1 of each year beginning in 2023 equal to eight  
11 percent (8%) of the total amount calculated under this  
12 subsection until the total amount has been paid. Each  
13 county shall track payments due under this subsection and  
14 shall send an invoice to each taxpayer not later than  
15 October 1 of each year beginning in 2023 of the deferred  
16 payment due under this subsection for that year. Timely  
17 deferred payments made in accordance with this subsection  
18 shall not be subject to penalties or interest. ~~If a~~  
19 ~~taxpayer fails to make timely~~ The following shall apply to  
20 deferred payments under this subsection: ~~all applicable~~  
21 ~~penalties and interest shall be calculated from the date~~  
22 ~~the tax would have been paid if monthly payments began~~  
23 ~~January 1, 2020.~~

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(i) If a taxpayer fails to make one (1) deferred payment by December 1 of the year the payment is due under this subsection, all applicable penalties and interest shall be calculated from the date of the missed payment;

(ii) If a taxpayer fails to make a second deferred payment under this subsection, the total remaining amount of deferred taxes due under this subsection shall be immediately due and payable with penalties and interest calculated from the date of the second missed payment;

(iii) If a taxpayer subject to deferred payments under this subsection sells, divests or liquidates its producing mineral assets in a county or counties such that the taxpayer is no longer required to file a monthly severance tax report with the department pursuant to chapter 14 of this title, the total remaining amount of deferred taxes due under this subsection for that county or counties shall be due and payable to the applicable county treasurer on or before the twenty-fifth day of the third month following the month the taxpayer sold, divested, or liquidated its producing mineral assets. If a taxpayer

1 fails to make a deferred payment under this paragraph, all  
2 applicable penalties and interest shall be calculated from  
3 the date of the missed payment;

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5 (iv) Nothing in this subsection shall prohibit a  
6 taxpayer from voluntarily remitting to the counties the  
7 remaining balance of deferred taxes without penalty.

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9 **Section 2.** There is appropriated three million  
10 dollars (\$3,000,000.00) from the legislative stabilization  
11 reserve account to the state treasurer. This appropriation  
12 shall only be used to make loans to counties to cover  
13 funding shortfalls caused by the transition to payment of  
14 ad valorem taxes under W.S. 39-13-113(g) as provided in  
15 2021 Wyoming Session Laws, Chapter 28, Section 3(a). This  
16 appropriation shall be for the period beginning with the  
17 effective date of this act and ending June 30, 2022. This  
18 appropriation shall not be transferred or expended for any  
19 other purpose and any unexpended, unobligated funds  
20 remaining from this appropriation shall revert as provided  
21 by law on June 30, 2022.

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1           **Section 3.** This act is effective immediately upon  
2 completion of all acts necessary for a bill to become law  
3 as provided by Article 4, Section 8 of the Wyoming  
4 Constitution.

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(END)