Optional municipal tax.

Sponsored by: Joint Revenue Interim Committee

A BILL
for

1 AN ACT relating to taxation and revenue; authorizing a
2 municipal sales and use tax as specified; providing
3 procedures; amending related provisions; and providing for
4 an effective date.
5
6 Be It Enacted by the Legislature of the State of Wyoming:
7
8 Section 1. W.S. 39-15-203(a) by creating a new
9 paragraph (vi), 39-15-204(a)(intro) and by creating a new
10 paragraph (vii), 39-15-211 by creating a new subsection
11 (d), 39-16-203(a) by creating a new paragraph (v),
12 39-16-204(a)(intro) and by creating a new paragraph (vi)
and 39-16-211 by creating a new subsection (d) are amended to read:


(a) Taxable event. The following shall apply:

(vi) The following provisions apply to imposition of the municipal tax under W.S. 39-15-204(a)(vii):

(A) The tax authorized by W.S. 39-15-204(a)(vii) shall be in addition to and not in lieu of any tax imposed by a county under W.S. 39-15-204(a)(i), (iii) or (vi) if those taxes are imposed;

(B) Revenue from the tax shall be used for general revenue, for a specific purpose in a specified amount or for economic development, as specified in a proposition to impose the tax. A city or town may impose a portion of the tax for separate purposes provided that the purposes are voted on separately, each proposition specifies the purpose of the tax and the total amount of
the tax does not exceed the full amount authorized in W.S. 39-15-204(a)(vii);

(C) No tax shall be imposed under this paragraph until a specific proposition to impose the tax is approved by a vote of the majority of the qualified electors voting on the specific proposition. The purpose of the tax and the maximum estimated amount of revenue to be collected, if applicable, shall be specified in the proposition. The election shall be held in accordance with W.S. 22-21-101 through 22-21-112. Any excise tax imposed under this paragraph shall commence as provided by W.S. 39-15-207(c) following the election approving the imposition of the tax;

(D) The proposition may be submitted at an election held on a date authorized under W.S. 22-21-103. A notice of election shall be given in at least one (1) newspaper of general circulation published in the county in which the election is to be held, and the notice shall specify the proposition that will be considered at the election. The notice shall be published at least once each week for a thirty (30) day period preceding the election.
At the election for each proposition, the ballots shall contain the words "for the municipal sales and use tax" and "against the municipal sales and use tax". The ballot shall describe if the tax will be for general revenue, for a specific purpose in a specified amount or for economic development in a clear and appropriate manner. If the proposition is approved the same proposition shall be submitted every four (4) years until the proposition is defeated;

(E) If the proposition to impose or continue the tax is defeated the proposition shall not again be submitted to the electors of the city or town for at least eleven (11) months. If the proposition is defeated at any general election following initial adoption of the proposition the tax is repealed and shall not be collected following June 30 of the year immediately following the year in which the proposition is defeated except:

(I) If the proposition was for less than the full amount authorized in W.S. 39-15-204(a)(vii), this subparagraph shall not prohibit a separate proposition
for the remaining authorized amount of the tax as provided in subparagraph (B) of this paragraph;

(II) If the proposition was to increase the amount of the tax originally adopted by the electors or to impose a tax for a different purpose, subject to the maximum allowable tax, the defeat of the proposition shall not repeal the proposition originally adopted by the electors.

(F) If the proposition is approved by the qualified electors, the city or town council shall adopt an ordinance for the tax authorized by W.S. 39-15-204(a)(vi) consistent with the approved proposition. The ordinance shall include the following:

(I) A provision imposing sales tax upon retail sales of tangible personal property, admissions and services made within the city or town, whichever is appropriate;

(II) Provisions identical to those contained in article 1 of this chapter except for W.S. 39-
15-102(a), insofar as it relates to sales taxes, except the name of the city or town as the taxing agency shall be substituted for that of the state and an additional license to engage in business shall not be required if the vendor has been issued a state license pursuant to law;

(III) A provision that any amendments made to article 1 of this chapter or to chapter 16 of this title that are not in conflict with article 1 of this chapter or to chapter 16 of this title shall automatically become a part of the sales tax ordinances of the city or town;

(IV) A provision that the city or town shall contract with the department prior to the effective date of the sales tax ordinances whereby the department shall perform all functions incident to the administration of the sales tax ordinances of the city or town;

(V) A provision that the amount subject to the sales tax shall not include the amount of any sales tax imposed by the state of Wyoming.
(G) A tax imposed for a specific purpose and in a specified amount shall terminate when the amount specified in the proposition approved by the electors is collected. A city or town may agree to terminate the tax if the tax collected reaches the actual cost of the completed projects and the amount specified in the proposition exceeds the actual cost of the completed projects. A city or town shall inform the department that a tax is terminated.


(a) In addition to the state tax imposed under W.S. 39-15-101 through 39-15-111 any county of the state may impose the following excise taxes and any city or town may impose the tax authorized by paragraph (ii) paragraphs (ii) and (vii) of this subsection and any resort district may impose the tax authorized by paragraph (v) of this subsection:

(vii) An excise tax at a rate in increments of one-quarter of one percent (.25%) not to exceed a rate of one percent (1%) upon retail sales of tangible personal
property, admissions and services made within the city or town, the purpose of which is for general revenue, for a specific purpose or for economic development, as specified in the proposition to impose the tax.


(d) For all revenue collected by the department from the taxes imposed by W.S. 39-15-204(a)(vii) the department shall:

(i) Deduct one percent (1%) to defray the costs of collecting the tax and administrative expenses incident thereto which shall be deposited into the general fund;

(ii) Deposit the remainder into an account for monthly distribution to the city or town in which the tax has been imposed which shall only be used by the city or town for costs related to the purposes approved in the proposition to impose the tax.

39-16-203. Imposition.
(a) Taxable event. The following shall apply:

(v) The following provisions apply to imposition of the municipal tax under W.S. 39-16-204(a)(vi):

(A) The tax authorized by W.S. 39-16-204(a)(vi) shall be in addition to and not in lieu of any tax imposed by a county under W.S. 39-16-204(a)(i), (ii) or (v) if those taxes are imposed;

(B) Revenue from the tax shall be used for general revenue, for a specific purpose in a specified amount or for economic development, as specified in a proposition to impose the tax. A city or town may impose a portion of the tax for separate purposes provided that the purposes are voted on separately, each proposition specifies the purpose of the tax and the total amount of the tax does not exceed the full amount authorized in W.S. 39-16-204(a)(vi);

(C) No tax shall be imposed under this paragraph until a specific proposition to impose the tax is approved by a vote of the majority of the qualified
electors voting on the specific proposition. The purpose of
the tax and the maximum estimated amount of revenue to be
collected, if applicable, shall be specified in the
proposition. The election shall be held in accordance with
W.S. 22-21-101 through 22-21-112. Any excise tax imposed
under this paragraph shall commence as provided by W.S.
39-16-207(c) following the election approving the
imposition of the tax;

(D) The proposition may be submitted at an
election held on a date authorized under W.S. 22-21-103. A
notice of election shall be given in at least one (1)
newspaper of general circulation published in the county in
which the election is to be held, and the notice shall
specify the proposition that will be considered at the
election. The notice shall be published at least once each
week for a thirty (30) day period preceding the election.
At the election for each proposition, the ballots shall
contain the words "for the municipal sales and use tax" and
"against the municipal sales and use tax". The ballot shall
describe if the tax will be for general revenue, for a
specific purpose in a specified amount or for economic
development in a clear and appropriate manner. If the
proposition is approved the same proposition shall be submitted every four (4) years until the proposition is defeated;

(E) If the proposition to impose or continue the tax is defeated the proposition shall not again be submitted to the electors of the city or town for at least eleven (11) months. If the proposition is defeated at any general election following initial adoption of the proposition the tax is repealed and shall not be collected following June 30 of the year immediately following the year in which the proposition is defeated except:

(I) If the proposition was for less than the full amount authorized in W.S. 39-16-204(a)(vi), this subparagraph shall not prohibit a separate proposition for the remaining authorized amount of the tax as provided in subparagraph (B) of this paragraph;

(II) If the proposition was to increase the amount of the tax originally adopted by the electors or to impose a tax for a different purpose, subject to the maximum allowable tax amount, the defeat of
the proposition shall not repeal the proposition originally adopted by the electors.

(F) If the proposition is approved by the qualified electors, the city or town council shall adopt an ordinance for the tax authorized by W.S. 39-16-204(a)(vi) consistent with the approved proposition. The ordinance shall include the following:

(I) A provision imposing a use tax upon sales and storage, use and consumption of tangible personal property made within the city or town, whichever is appropriate;

(II) Provisions identical to those contained in article 1 of this chapter, insofar as it relates to use taxes, except the name of the city or town as the taxing agency shall be substituted for that of the state and an additional license to engage in business shall not be required if the vendor has been issued a state license pursuant to law;
(III) A provision that any amendments made to article 1 of this chapter or to chapter 15 of this title not in conflict with article 1 of this chapter or to chapter 15 of this title shall automatically become a part of the use tax ordinances of the city or town;

(IV) A provision that the city or town shall contract with the department prior to the effective date of the use tax ordinances whereby the department shall perform all functions incident to the administration of the use tax ordinances of the city or town;

(V) A provision that the amount subject to the use tax shall not include the amount of any use tax imposed by the state of Wyoming.

(G) A tax imposed for a specific purpose and in a specified amount shall terminate when the amount specified in the proposition approved by the electors is collected. A city or town may agree to terminate the tax if the tax collected reaches the actual cost of the completed projects and the amount specified in the proposition exceeds the actual cost of the completed
projects. A city or town shall inform the department that
a tax is terminated.

39-16-204. Taxation rate.

(a) In addition to the state tax imposed under W.S.
39-16-101 through 39-16-111 any county of the state may
impose the following excise taxes, any city or town may
impose the tax authorized by paragraph (vi) of this
subsection and any resort district may impose the tax
authorized by paragraph (iv) of this subsection:

(vi) An excise tax at a rate in increments of
one-quarter of one percent (.25%) not to exceed a rate of
one percent (1%) upon sales and storage, use and
consumption of tangible personal property made within the
city or town, the purpose of which is for general revenue,
for a specific purpose or for economic development, as
specified in the proposition to impose the tax.

39-16-211. Distribution.
(d) For all revenue collected by the department from the taxes imposed by W.S. 39-16-204(a)(vi) the department shall:

(i) Deduct one percent (1%) to defray the costs of collecting the tax and administrative expenses incident thereto which shall be deposited into the general fund;

(ii) Deposit the remainder into an account for monthly distribution to the city or town in which the tax has been imposed which shall only be used by the city or town for costs related to the purposes approved in the proposition to impose the tax.

Section 2. This act is effective January 1, 2021.