

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO. [BILL NUMBER]

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)

1 and 39-16-211 by creating a new subsection (d) are amended
2 to read:

3

4 **39-15-203. Imposition.**

5

6 (a) Taxable event. The following shall apply:

7

8 (vi) The following provisions apply to
9 imposition of the municipal tax under W.S.
10 39-15-204(a)(vii):

11

12 (A) The tax authorized by W.S.
13 39-15-204(a)(vii) shall be in addition to and not in lieu
14 of any tax imposed by a county under W.S. 39-15-204(a)(i),
15 (iii) or (vi) if those taxes are imposed;

16

17 (B) Revenue from the tax shall be used for
18 general revenue, for a specific purpose in a specified
19 amount or for economic development, as specified in a
20 proposition to impose the tax. A city or town may impose a
21 portion of the tax for separate purposes provided that the
22 purposes are voted on separately, each proposition
23 specifies the purpose of the tax and the total amount of

1 the tax does not exceed the full amount authorized in W.S.
2 39-15-204(a)(vii);

3
4 (C) No tax shall be imposed under this
5 paragraph until a specific proposition to impose the tax is
6 approved by a vote of the majority of the qualified
7 electors voting on the specific proposition. The purpose of
8 the tax and the maximum estimated amount of revenue to be
9 collected, if applicable, shall be specified in the
10 proposition. The election shall be held in accordance with
11 W.S. 22-21-101 through 22-21-112. Any excise tax imposed
12 under this paragraph shall commence as provided by W.S.
13 39-15-207(c) following the election approving the
14 imposition of the tax;

15
16 (D) The proposition may be submitted at an
17 election held on a date authorized under W.S. 22-21-103. A
18 notice of election shall be given in at least one (1)
19 newspaper of general circulation published in the county in
20 which the election is to be held, and the notice shall
21 specify the proposition that will be considered at the
22 election. The notice shall be published at least once each
23 week for a thirty (30) day period preceding the election.

1 At the election for each proposition, the ballots shall
2 contain the words "for the municipal sales and use tax" and
3 "against the municipal sales and use tax". The ballot shall
4 describe if the tax will be for general revenue, for a
5 specific purpose in a specified amount or for economic
6 development in a clear and appropriate manner. If the
7 proposition is approved the same proposition shall be
8 submitted every four (4) years until the proposition is
9 defeated;

10
11 (E) If the proposition to impose or
12 continue the tax is defeated the proposition shall not
13 again be submitted to the electors of the city or town for
14 at least eleven (11) months. If the proposition is defeated
15 at any general election following initial adoption of the
16 proposition the tax is repealed and shall not be collected
17 following June 30 of the year immediately following the
18 year in which the proposition is defeated except:

19
20 (I) If the proposition was for less
21 than the full amount authorized in W.S. 39-15-204(a)(vii),
22 this subparagraph shall not prohibit a separate proposition

1 for the remaining authorized amount of the tax as provided
2 in subparagraph (B) of this paragraph;

3
4 (II) If the proposition was to
5 increase the amount of the tax originally adopted by the
6 electors or to impose a tax for a different purpose,
7 subject to the maximum allowable tax, the defeat of the
8 proposition shall not repeal the proposition originally
9 adopted by the electors.

10
11 (F) If the proposition is approved by the
12 qualified electors, the city or town council shall adopt an
13 ordinance for the tax authorized by W.S. 39-15-204(a)(vii)
14 consistent with the approved proposition. The ordinance
15 shall include the following:

16
17 (I) A provision imposing sales tax
18 upon retail sales of tangible personal property, admissions
19 and services made within the city or town, whichever is
20 appropriate;

21
22 (II) Provisions identical to those
23 contained in article 1 of this chapter except for W.S. 39-

1 15-102(a), insofar as it relates to sales taxes, except the
 2 name of the city or town as the taxing agency shall be
 3 substituted for that of the state and an additional license
 4 to engage in business shall not be required if the vendor
 5 has been issued a state license pursuant to law;

6
 7 (III) A provision that any amendments
 8 made to article 1 of this chapter or to chapter 16 of this
 9 title that are not in conflict with article 1 of this
 10 chapter or to chapter 16 of this title shall automatically
 11 become a part of the sales tax ordinances of the city or
 12 town;

13
 14 (IV) A provision that the city or town
 15 shall contract with the department prior to the effective
 16 date of the sales tax ordinances whereby the department
 17 shall perform all functions incident to the administration
 18 of the sales tax ordinances of the city or town;

19
 20 (V) A provision that the amount
 21 subject to the sales tax shall not include the amount of
 22 any sales tax imposed by the state of Wyoming.

23

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

10
11 **39-15-204. Taxation rate.**

12
13 (a) In addition to the state tax imposed under W.S.
14 39-15-101 through 39-15-111 any county of the state may
15 impose the following excise taxes and any city or town may
16 impose the ~~tax~~taxes authorized by ~~paragraph (ii)~~
17 paragraphs (ii) and (vii) of this subsection and any resort
18 district may impose the tax authorized by paragraph (v) of
19 this subsection:

20
21 (vii) An excise tax at a rate in increments of
22 one-quarter of one percent (.25%) not to exceed a rate of
23 one percent (1%) upon retail sales of tangible personal

1 property, admissions and services made within the city or
2 town, the purpose of which is for general revenue, for a
3 specific purpose or for economic development, as specified
4 in the proposition to impose the tax.

5

6 **39-15-211. Distribution.**

7

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

11

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

15

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

21

22 **39-16-203. Imposition.**

23

1 (a) Taxable event. The following shall apply:

2

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

5

6 (A) The tax authorized by W.S.
7 39-16-204(a)(vi) shall be in addition to and not in lieu of
8 any tax imposed by a county under W.S. 39-16-204(a)(i),
9 (ii) or (v) if those taxes are imposed;

10

11 (B) Revenue from the tax shall be used for
12 general revenue, for a specific purpose in a specified
13 amount or for economic development, as specified in a
14 proposition to impose the tax. A city or town may impose a
15 portion of the tax for separate purposes provided that the
16 purposes are voted on separately, each proposition
17 specifies the purpose of the tax and the total amount of
18 the tax does not exceed the full amount authorized in W.S.
19 39-16-204(a)(vi);

20

21 (C) No tax shall be imposed under this
22 paragraph until a specific proposition to impose the tax is
23 approved by a vote of the majority of the qualified

1 electors voting on the specific proposition. The purpose of
2 the tax and the maximum estimated amount of revenue to be
3 collected, if applicable, shall be specified in the
4 proposition. The election shall be held in accordance with
5 W.S. 22-21-101 through 22-21-112. Any excise tax imposed
6 under this paragraph shall commence as provided by W.S.
7 39-16-207(c) following the election approving the
8 imposition of the tax;

9
10 (D) The proposition may be submitted at an
11 election held on a date authorized under W.S. 22-21-103. A
12 notice of election shall be given in at least one (1)
13 newspaper of general circulation published in the county in
14 which the election is to be held, and the notice shall
15 specify the proposition that will be considered at the
16 election. The notice shall be published at least once each
17 week for a thirty (30) day period preceding the election.
18 At the election for each proposition, the ballots shall
19 contain the words "for the municipal sales and use tax" and
20 "against the municipal sales and use tax". The ballot shall
21 describe if the tax will be for general revenue, for a
22 specific purpose in a specified amount or for economic
23 development in a clear and appropriate manner. If the

1 proposition is approved the same proposition shall be
2 submitted every four (4) years until the proposition is
3 defeated;

4
5 (E) If the proposition to impose or
6 continue the tax is defeated the proposition shall not
7 again be submitted to the electors of the city or town for
8 at least eleven (11) months. If the proposition is defeated
9 at any general election following initial adoption of the
10 proposition the tax is repealed and shall not be collected
11 following June 30 of the year immediately following the
12 year in which the proposition is defeated except:

13
14 (I) If the proposition was for less
15 than the full amount authorized in W.S. 39-16-204(a)(vi),
16 this subparagraph shall not prohibit a separate proposition
17 for the remaining authorized amount of the tax as provided
18 in subparagraph (B) of this paragraph;

19
20 (II) If the proposition was to
21 increase the amount of the tax originally adopted by the
22 electors or to impose a tax for a different purpose,
23 subject to the maximum allowable tax amount, the defeat of

1 the proposition shall not repeal the proposition originally
2 adopted by the electors.

3
4 (F) If the proposition is approved by the
5 qualified electors, the city or town council shall adopt an
6 ordinance for the tax authorized by W.S. 39-16-204(a)(vi)
7 consistent with the approved proposition. The ordinance
8 shall include the following:

9
10 (I) A provision imposing a use tax
11 upon sales and storage, use and consumption of tangible
12 personal property made within the city or town, whichever
13 is appropriate;

14
15 (II) Provisions identical to those
16 contained in article 1 of this chapter, insofar as it
17 relates to use taxes, except the name of the city or town
18 as the taxing agency shall be substituted for that of the
19 state and an additional license to engage in business shall
20 not be required if the vendor has been issued a state
21 license pursuant to law;

22

1 (III) A provision that any amendments
2 made to article 1 of this chapter or to chapter 15 of this
3 title not in conflict with article 1 of this chapter or to
4 chapter 15 of this title shall automatically become a part
5 of the use tax ordinances of the city or town;

6
7 (IV) A provision that the city or town
8 shall contract with the department prior to the effective
9 date of the use tax ordinances whereby the department shall
10 perform all functions incident to the administration of the
11 use tax ordinances of the city or town;

12
13 (V) A provision that the amount
14 subject to the use tax shall not include the amount of any
15 use tax imposed by the state of Wyoming.

16
17 (G) A tax imposed for a specific purpose
18 and in a specified amount shall terminate when the amount
19 specified in the proposition approved by the electors is
20 collected. A city or town may agree to terminate the tax
21 if the tax collected reaches the actual cost of the
22 completed projects and the amount specified in the
23 proposition exceeds the actual cost of the completed

1 projects. A city or town shall inform the department that
2 a tax is terminated.

3
4 **39-16-204. Taxation rate.**

5
6 (a) In addition to the state tax imposed under W.S.
7 39-16-101 through 39-16-111 any county of the state may
8 impose the following excise taxes, any city or town may
9 impose the tax authorized by paragraph (vi) of this
10 subsection and any resort district may impose the tax
11 authorized by paragraph (iv) of this subsection:
12

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

20
21 **39-16-211. Distribution.**
22

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

4
5 (i) Deduct one percent (1%) to defray the costs
6 of collecting the tax and administrative expenses incident
7 thereto which shall be deposited into the general fund;

8
9 (ii) Deposit the remainder into an account for
10 monthly distribution to the city or town in which the tax
11 has been imposed which shall only be used by the city or
12 town for costs related to the purposes approved in the
13 proposition to impose the tax.

14

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

16

17

(END)