



WY's Tax Landscape: Past, Present, and Future

Hank Hoversland, Executive Director

“Taxes are the structure by which, we, as citizens, pool our resources to pay for infrastructure we could not afford on our own. The goal for those responsible for administering those taxes is to ensure taxpayers are paying their fair share of the tax burden. No more, no less. It is the responsibility of the legislature to determine what that amount is.”

-Brenda Henson, Director, Wyoming Department of Revenue



“The art of taxation consists in so plucking the goose as to obtain the largest possible amount of feathers with the smallest possible amount of hissing.”

-Jean-Baptiste Colbert





What is the WTA?



JUSTIFIED

- ✓ Is there a justified need for the tax and is it fiscally prudent?
- ✓ Are existing government funds spent efficiently before considering a new tax?
- ✓ Is the primary goal of the tax to generate revenue or does it modify behavior or influence policy?

EQUITABLE

- ✓ Does the tax impose equal and uniform liabilities upon similarly situated taxpayers?
- ✓ Is the tax constitutional?
- ✓ Does the tax disadvantage one taxpayer over another?
- ✓ Will the tax distort economic behavior?

STABLE

- ✓ Is the tax stable and predictable under changing political, economic, regulatory and environmental conditions?
- ✓ Does the tax result in diversification in taxation?

TRANSPARENT

- ✓ Is the tax visible, accountable and auditable?
- ✓ Is the tax easy to understand, administer and cost effective to collect?





Wyoming's Tax Structure

“Wyoming’s tax structure lacks equity, stability, and balance.”

– Tax Reform 2000 Committee



- **Inequitable**: structure is regressive (lower income households pay a larger percentage of income in excise and property taxes than households with higher income).
- **Unstable**: mineral production taxes based on market values many of which are subject to national and international volatility.
- **Lacks balance**: Tax structure reliant on extractive industries to fund operating budget (income inelastic as mineral tax collections are unrelated to state income changes).
- **Primary tax sources**: Almost 75% of the State’s tax revenue is generated by property taxes, severance taxes, and sales & use taxes.
- <https://wyotax.org/research-education/wyoming-tax-reform-2000/>





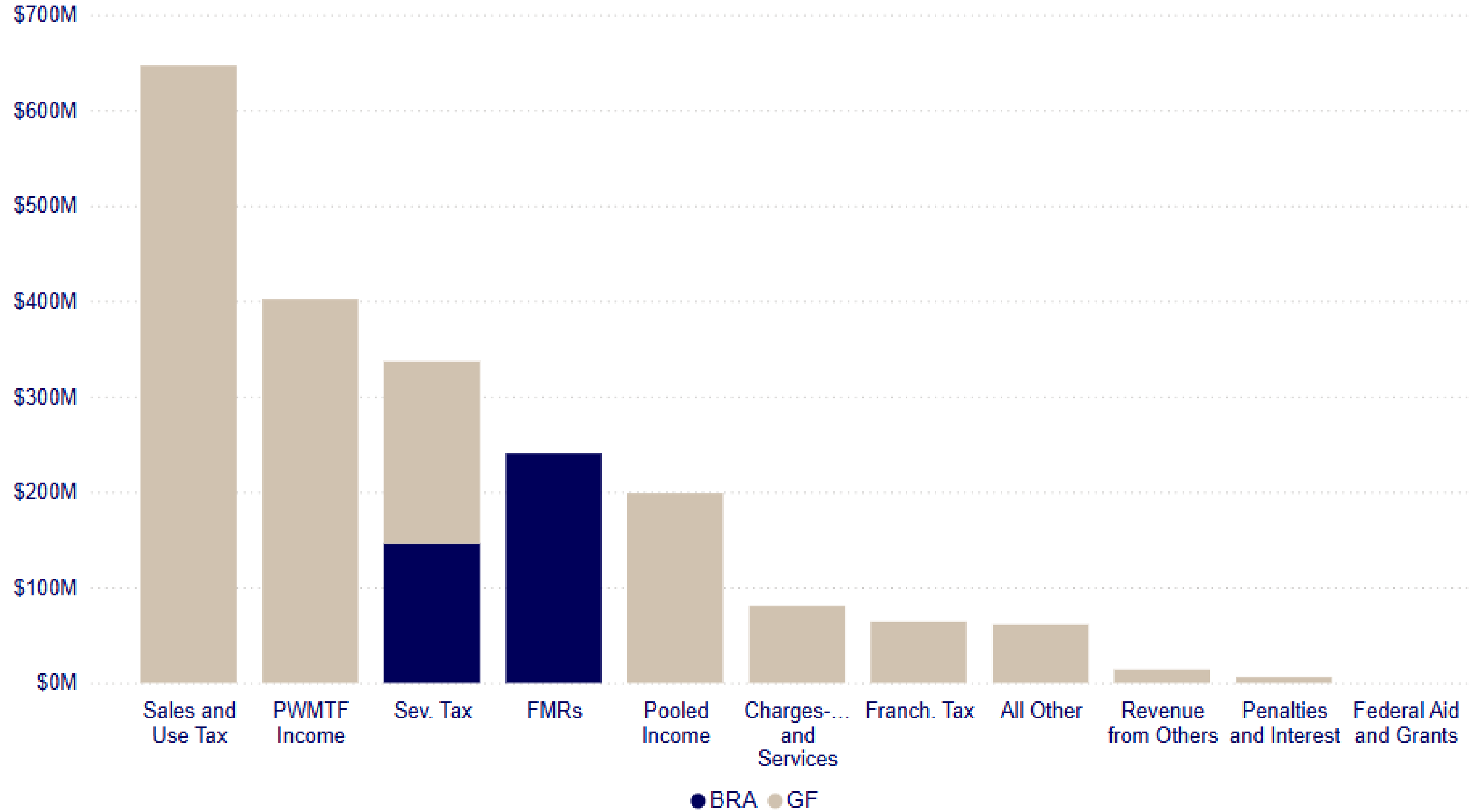
General Fund/Budget Reserve Account Revenues



Select Fiscal Year

2024

GF/BRA Revenue by Category



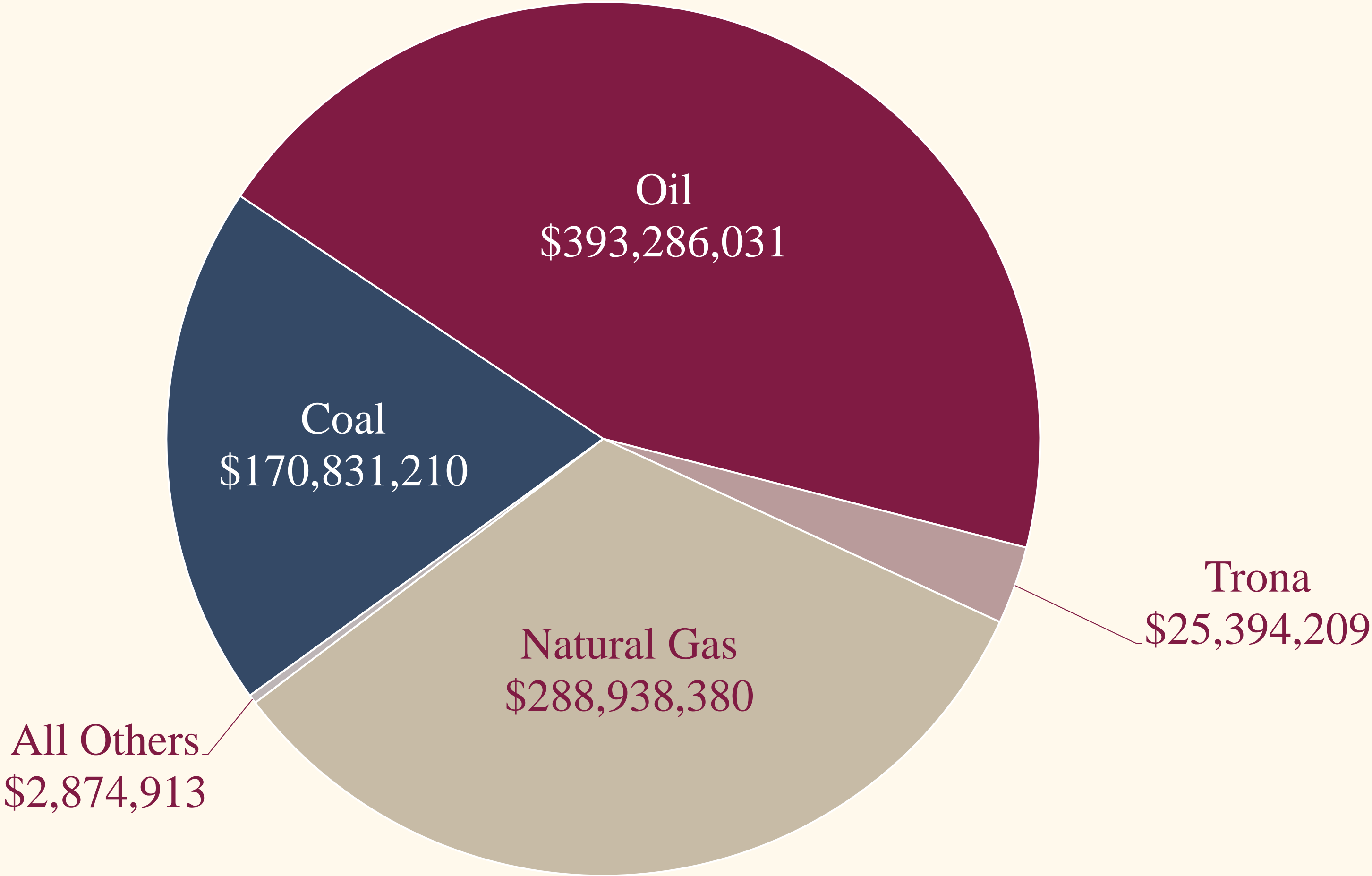
Major Revenue History and Forecasts



Source: Wyoming Legislative Service Office - January 2025 CREG Report

Publish Date: 03/25/2025

FY 2024 Severance Taxes Collected, by Mineral



Source: Wyoming Department of Revenue 2024 Annual Report



2025 General Session Bills of Interest – Severance Taxes

PASSED

House Bill 75, Coal severance tax rate

- ~Reduces the severance tax rate on surface coal to 6 percent, from 6.5 percent.
- ~Fiscal Note indicates the act will reduce revenue by \$3.2 million to the General Fund, \$5.2 million to the Budget Reserve Account, and \$1.3 million to the School Foundation Program Reserve Account in Fiscal Year 2026

FAILED

House Bill 161, Hydrogen severance tax

- ~Proposed to create a severance tax on the production of hydrogen; the tax rate on hydrogen produced from by-water would be at 3 percent and all other hydrogen produced at 6 percent
- ~Fiscal Note indicates the bill has an indeterminable fiscal impact





SALES TAX TYPE	AMOUNT	COUNTIES & DISTRICTS THAT LEVY
Statewide	\$0.04	23
General Purpose	\$0.01	21
Specific Purpose	\$0.01	12
Municipal Purpose	\$0.01	0
Resort District	\$0.03	2
Econ Development	\$0.01	2



2025 General Session Bills of Interest – Sales and Use Taxes

PASSED

House Bill 11, Manufacturing sales and use tax exemption-amendments

- ~Extends the sunset on the sales and use tax exemption on manufacturing equipment by 15 years, to 2042
- ~Fiscal note indicates the act has an indeterminable fiscal impact

House Bill 33, Vehicle sales and use tax distribution-highway fund

- ~Annually appropriates the state's portion of the revenue derived from sales and use taxes on motor vehicles to the Highway Fund
- ~Fiscal Note indicates the act will decrease revenues to the General Fund by \$69.2 million in FY 2026 and subsequently increase revenue to the Highway Fund by a like amount

House Bill 311, Exemption for transported fuel and power sales-amendments

- ~Clarifies the existing sales and use tax exemption for transporting hydrocarbons by railroad or pipeline applies to gathering lines
- ~Fiscal Note indicates the act has an indeterminable fiscal impact





2025 General Session Bills of Interest – Sales and Use Taxes

FAILED

House Bill 300, Electrical generation tax

~Proposed to impose an excise tax on the sale of electricity produced in Wyoming at a rate of 3.5 percent and exempt the sale of electricity from sales taxation subject to the generation tax imposed by the bill

~Fiscal note indicates the bill would decrease revenues to the GF in FY 2026 by \$27.6 million and to local governments by \$26.6 million; the bill would raise revenue by \$19 million annually

Senate File 60, Sales tax distribution rates

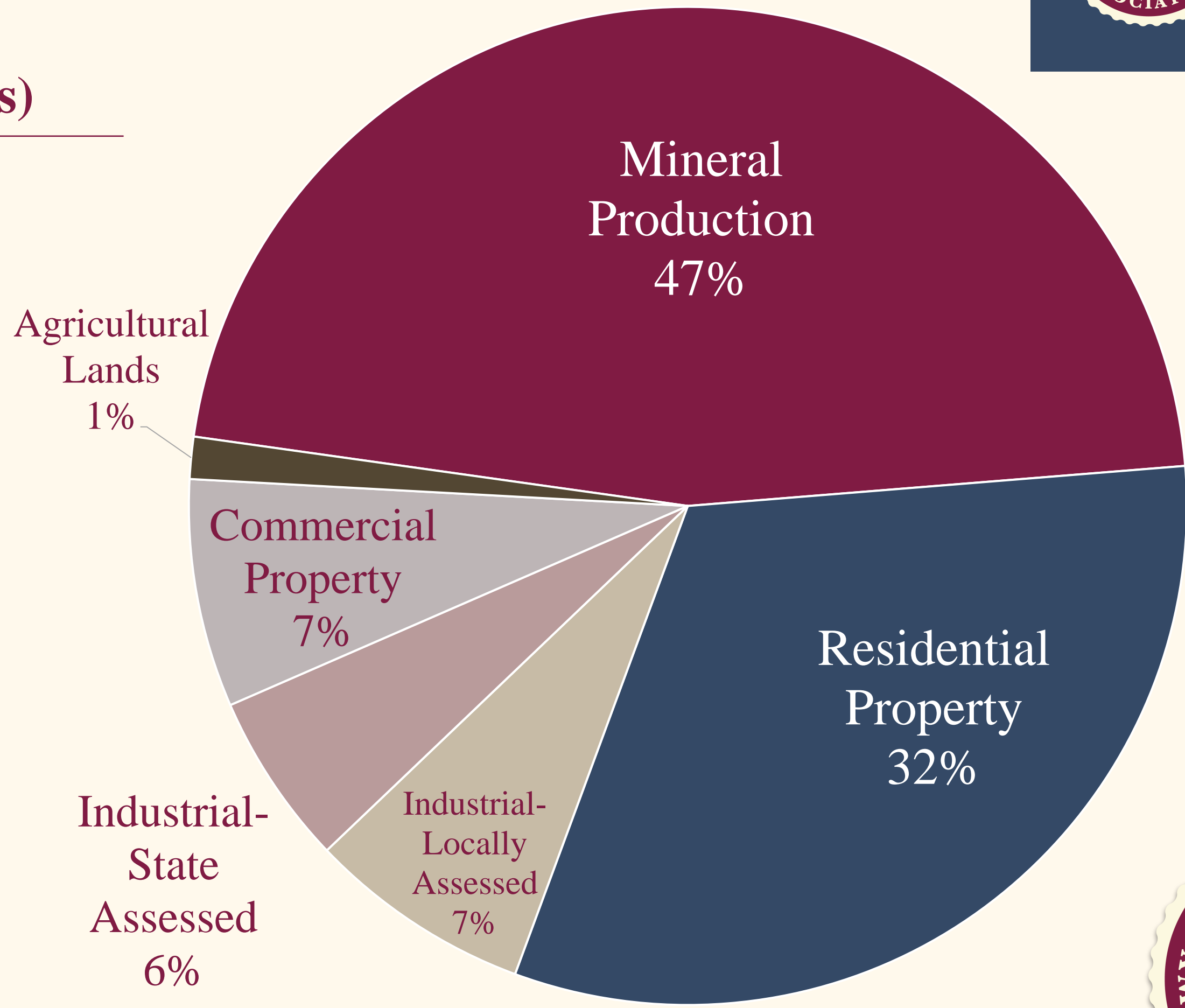
~Proposed to change the distribution of sales and use taxes on the statewide 4 percent to the state retaining 65 percent and the remaining 35 percent being distributed to local governments

~Fiscal Note indicated the bill will decrease revenues to the General Fund by \$38.6 million in FY 2026 and subsequently increase revenue to the municipalities and counties statewide, in aggregate, by a like amount





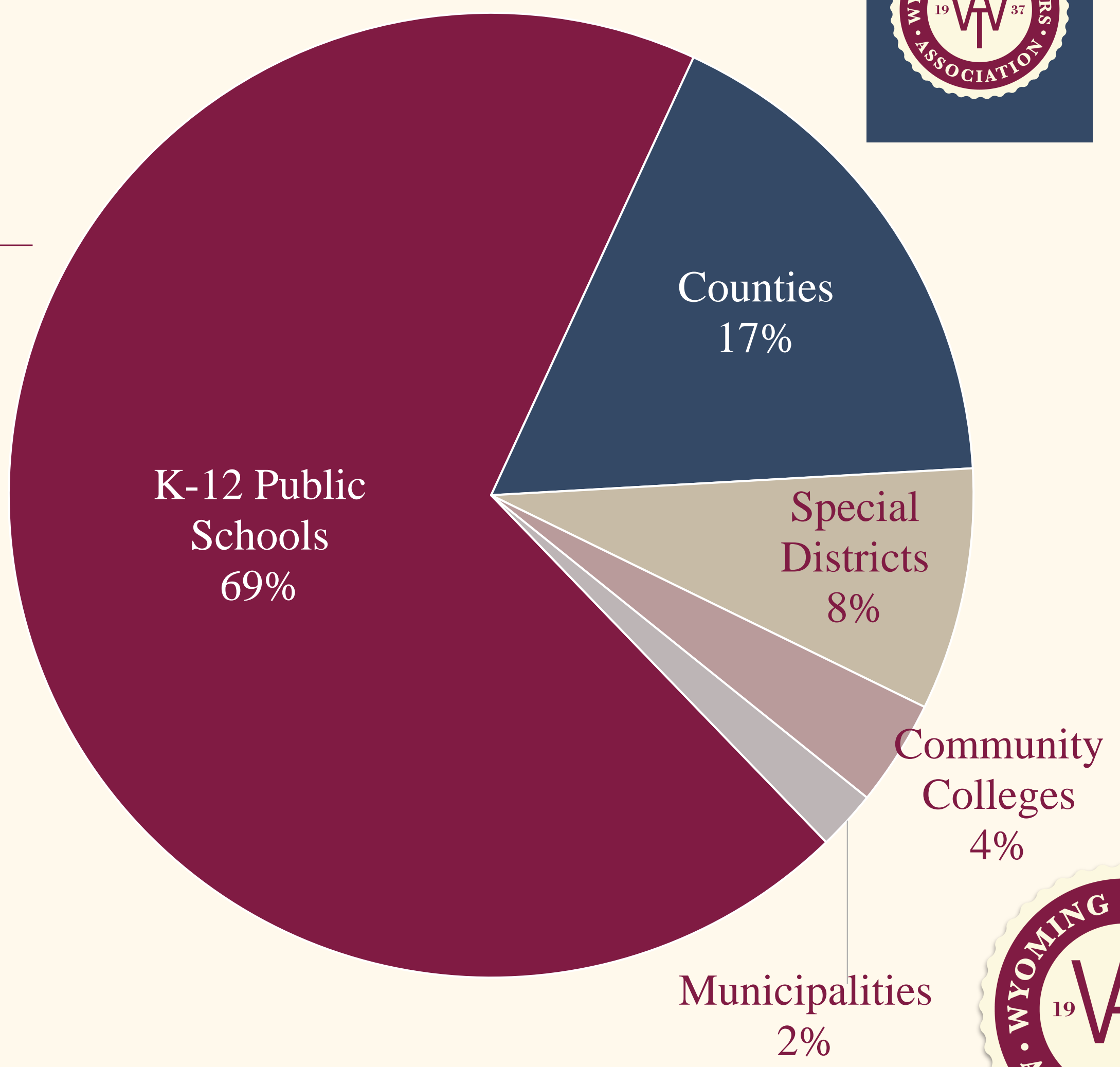
How it is Derived	Taxes paid (\$ millions)
Mineral Production	\$956
Residential Property	\$656
Commercial Property	\$152
Industrial-Locally Assessed	\$149
Industrial-State Assessed	\$115
Agricultural	\$28
Total	\$2,056



Source: WTA Analysis of Wyoming Department of Revenue 2024 Annual Report



How it is Used	Taxes paid (\$ millions)
K-12 Public Education	\$1,421
Counties	\$354
Special Districts	\$167
Community Colleges	\$73
Municipalities	\$41
Total	\$2,056



Source: WTA Analysis of Wyoming Department of Revenue 2024 Annual Report



2024 Acts of Interest – Property Taxes

PASSED

2024 House Bill 3, Property tax exemption for long-term homeowners

~Exempts 50 percent of a homeowner's assessed value if they are 65 years or older and have paid property taxes in Wyoming for at least 25 years; exemption sunsets in tax year 2027

~The fiscal impact estimate is still unknown as it began this tax year, but was estimated at \$31.5 million (-\$19.8M to the SFP; -\$11.7M to other local taxing entities) in fiscal notes this session

2024 House Bill 4, Property tax refund program

~Increased income brackets for eligibility for the property tax refund program

~For tax year 2023 refunds, this increased eligibility by 1,077 applicants, who were refunded at the 65 percent level, for a total of almost \$800 thousand





2024 Acts of Interest – Property Taxes

PASSED

2024 House Bill 45, Property tax exemption-residential structures and land

- ~Exempts any assessed value increase greater than 4 percent of a residential structure in tax year 2024 and associated land beginning tax year 2025
- ~The fiscal impact for tax year 2024 exempted \$300 million of assessed value, leading to about \$19 million of taxes being exempted

2024 Senate File 89, Veterans ad valorem exemption-amount

- ~Doubles the amount of the veteran's exemption beginning in tax year 2025 from \$3,000 of assessed value to \$6,000
- ~The fiscal impact estimate indicates the act will increase expenditures by the State Treasurer's Office by \$4.1 million annually to reimburse counties for the reduced revenue due to the exemption





2025 General Session Bills of Interest – Personal Property Taxes

PASSED

Senate File 48, Business property exemption

- ~Exempts the first \$75,000 of fair market value worth of business property owned by a person in each county
- ~The fiscal impact estimate indicates the act will decrease ad valorem revenues statewide by \$8.8 million annually, with the School Foundation Program Account experiencing reduced revenues of \$5.5 million and other local taxing authorities experiencing reduced revenues of \$3.3 million annually

Senate File 49, Tangible personal property-index and depreciation

- ~Modifies the valuation of tangible personal property to quit applying an indexing factor once the piece of property is depreciated 80 percent, or at 20 percent “good”
- ~Fiscal note indicates the act will reduce revenues to the School Foundation Program Account by \$21 million annually and to other local taxing authorities \$12.5 million annually





2025 General Session Bills of Interest – Property Tax Exemptions

PASSED

House Bill 279, Property tax exemptions-order of application

- ~Codifies in statute that property tax exemptions on assessed value are applied by percentage first, smallest to largest, and then assessed value exemptions
- ~Appropriates \$10.5 million to the Department of Revenue for purposes of the Property Tax Refund Program in response to a budget request by the Department to ensure the program is fully funded for the remainder of the biennium

Senate File 81, Tax exemption-property owned by the state

- ~Exempts associated land owned by the state from property taxation for tax years 2025 and 2026; also clarifies that leasing school trust lands for agricultural is a governmental purpose relating to the governmental purpose exemption
- ~Fiscal note indicates the act will reduce revenues to the School Foundation Program Account by \$1.9 million annually and to other local taxing authorities \$1.1 million annually





2025 General Session Bill of Interest – Residential Property Taxes

PASSED

Senate File 69, Homeowner property tax exemption

~Exempts 25 percent of the first \$1 million of fair market value of a residential structure and associated improved land beginning in tax year 2025

~In tax year 2026, the exemption created under the act will only be available to homeowners who resides in the home the exemption is being applied to for at least eight months of the year

~The exemption under this act cannot be claimed by a residence that has received the long-term homeowners tax exemption

~The exemption created under the act has no sunset



Senate File 0069

County	Amount Revenue Decrease	School Foundation 12 mills	Local School 25&6 mills	County 12 Mills	All Others
Albany	7,236,807	1,267,686	3,274,858	1,267,686	1,426,570
Big Horn	1,578,455	276,501	714,295	276,501	311,156
Campbell	6,833,552	1,197,047	3,092,374	1,197,047	1,347,078
Carbon	3,696,371	647,501	1,672,711	647,501	728,655
Converse	2,366,952	414,624	1,071,112	414,624	466,590
Crook	1,689,851	296,015	764,705	296,015	333,115
Fremont	6,170,686	1,080,931	2,792,408	1,080,931	1,216,409
Goshen	1,781,362	312,045	806,116	312,045	351,155
Hot Springs	797,860	139,763	361,054	139,763	157,280
Johnson	2,321,505	406,663	1,050,546	406,663	457,631
Laramie	21,940,497	3,843,361	9,928,689	3,843,361	4,325,064
Lincoln	7,048,973	1,234,783	3,189,858	1,234,783	1,389,543
Natrona	13,575,069	2,377,972	6,143,099	2,377,972	2,676,013
Niobrara	226,784	39,726	102,626	39,726	44,705
Park	9,188,513	1,609,570	4,158,059	1,609,570	1,811,304
Platte	1,728,030	302,702	781,982	302,702	340,641
Sheridan	9,416,240	1,649,462	4,261,112	1,649,462	1,856,195
Sublette	2,848,160	498,918	1,288,872	498,918	561,449
Sweetwater	5,847,949	1,024,397	2,646,361	1,024,397	1,152,789
Teton	16,850,303	2,951,701	7,625,234	2,951,701	3,321,650
Uinta	3,225,281	564,979	1,459,530	564,979	635,790
Washakie	1,328,743	232,759	601,293	232,759	261,931
Weston	987,639	173,007	446,934	173,007	194,690
Total	128,685,582	22,542,111	58,233,829	22,542,111	25,367,403

2024 CAMA data for the above estimates.
 The estimates are calculated as the total revenue that would be lost without backfill. Single Family Dwelling and Associated Land 25% Exemption up to the first 1,000,000 FMV
 The statewide average mill levy of 68.504 was used for the estimates.
 Ken Guille - Department of Revenue



2025 Senate File 69 Fiscal Impacts



2025 General Session Bills of Interest – Property Taxes



FAILED

House Bill 282, Property tax-acquisition value

~Proposed to value the residential class based on its acquisition value after January 1, 2026 with increases to the value being 2 percent annually, or CPI, whichever is less. The bill also creates a new class of property, residential real property, which would have an assessment ratio of 8.3 percent.

~The total fiscal impact is indeterminable according to the fiscal note, but is likely to be in the hundreds of millions of dollars of revenue decreases annually, statewide

House Bill 320, Taxation and Revenue Task Force 2028

~Proposed to create a task force to analyze revenue streams available to local governments and how to provide local governments with sustainable revenue resources

Senate File 153, Residential real property-taxable value

~Proposed to create a fourth class for purposes of property taxation in statute for residential real property and define a subclass, within the new class, of owner-occupied residential real property





Amendments of Interest – Property Taxes

PASSED

2024 Constitutional Amendment A

~Creates a fourth class of property in the constitution for purposes of ad valorem taxation, residential real property, and allows the new class to have a subclass for owner-occupied primary residences

PROPOSED

2026 General Election – People’s Ballot Initiative

~Proposes to create a homeowner’s exemption of 50 percent of the property used as a primary residence; the person claiming the exemption must have lived in Wyoming for at least one year and live in the residence they are applying the exemption to for at least six months of the year





Proposed 2025 Interim Topics of Interest

Joint Revenue Interim Committee

Priority #1: Property Tax Issues

Priority #2: Sales Tax Issues

Priority #3: Wyoming's Tax Structure and Administration

Joint Minerals, Business, and Economic Development Interim Committee

Priority #2: Enhanced Oil Recovery and Carbon Dioxide Pipelines

Priority #4: Electrical Generation Tax

Joint Corporations, Elections, and Political Subdivisions Interim Committee

Priority #4: Workforce Housing

Joint Transportation, Highways, and Military Affairs Interim Committee

Priority #1: Transportation and Highways

Joint Appropriations Committee

Priority #2: Local Government Income Streams

Priority #5: Wyoming Department of Transportation

Select Committee on Capital Financing and Investments

Priority #3: Gaming Revenue and Investments

Priority #4: Sales and Use Tax Distributions





Questions?





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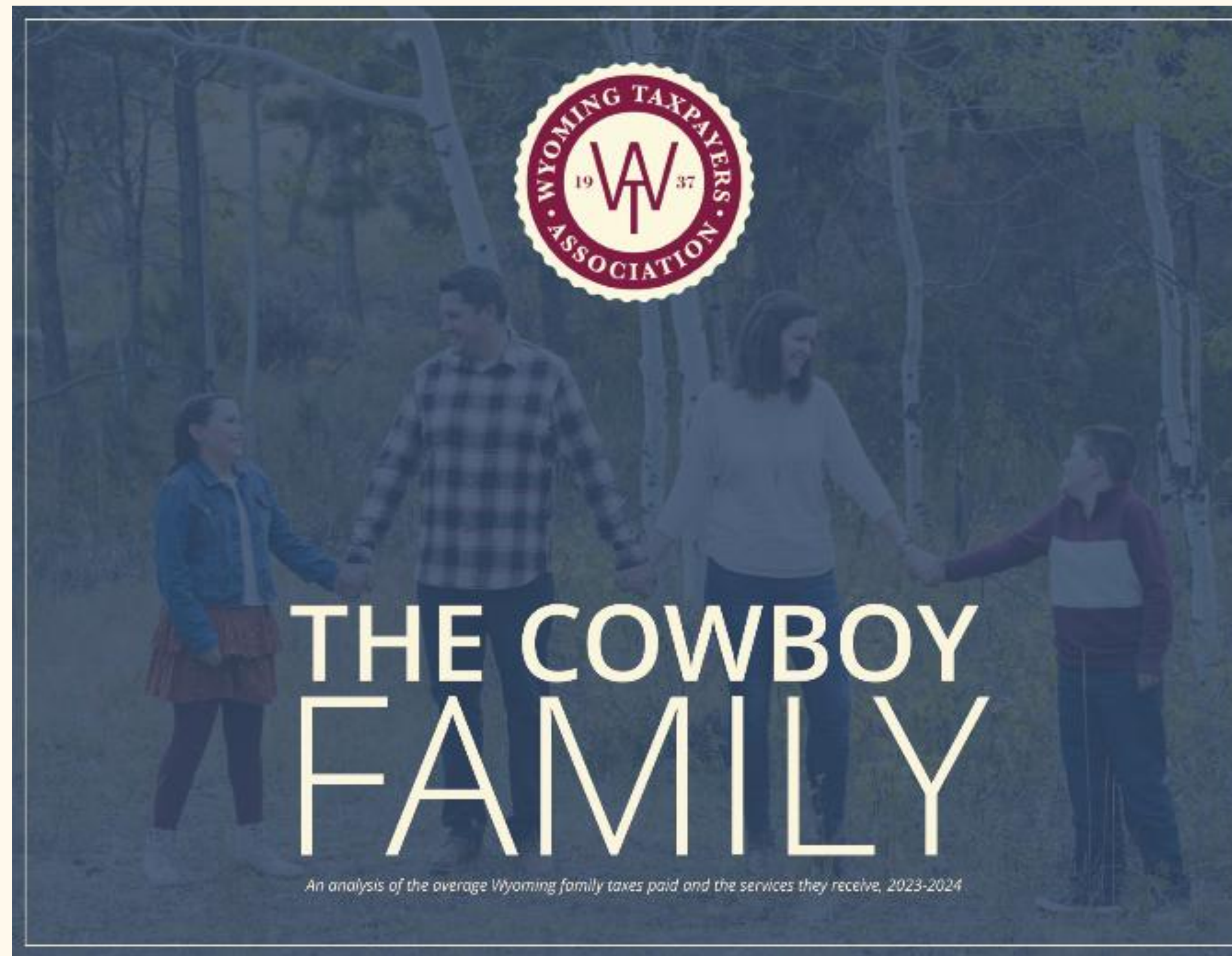
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[@wyotax](https://twitter.com/wyotax)



<https://wyotax.org/cowboy-family-dashboard-2/>





Other Useful Resources of Interest

- <https://wyotax.org/wp-content/uploads/2025/01/LANDSCAPE-Property-Tax-2024-WEB.pdf>
- <https://wyotax.org/wp-content/uploads/2025/01/WTA-How-Wyoming-Compares-2024-WEB.pdf>
- <https://wyoleg.gov/stateFinances/visualizations>
- <https://wyoleg.gov/Databook/Historical/2025%20Data%20Book.pdf>
- <https://revenue.wyo.gov/home>
- <http://taxappeals.state.wy.us/>
- <https://audit.wyo.gov/public-funds/legislative-reports>

