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ENROLLED ACT NO. 56, SENATE

FIFTY-FOURTH LEGISLATURE OF THE STATE OF WYOMING
1997 GENERAL SESSION

AN ACT relating to taxation and revenue; creating a tax reform 2000 committee as specified; creating membership; providing duties and responsibilities; requiring a report; providing an appropriation; and providing for an effective date.

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

Section 1.

- (a) There is created the tax reform 2000 committee consisting of eleven (11) members appointed as follows:
 - (i) Five (5) members appointed by the governor;
 - (ii) Three (3) members of the senate appointed by the president of the senate, one (1) of whom shall be a member of the minority party;
 - (iii) Three (3) members of the house of representatives appointed by the speaker of the house of representatives, one (1) of whom shall be a member of the minority party.
- (b) The mission of the committee shall be to recommend standards and options for developing a fair, viable and economically competitive state and local tax structure capable of generating sufficient revenues to meet expected needs in the future. In developing the standards and options in fulfilling its mission the committee shall:
 - (i) Establish criteria for determining and evaluating state and local revenue options;
 - (ii) Analyze the current state and local revenue system including:

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- (A) The composition, dependability and flexibility of Wyoming's current tax system and its adequacy to meet the state's long term needs;
 - (B) The relative burden imposed by the tax system on taxpayers and the relative equity of that burden;
 - (C) The relationship between taxes and the overall revenue needs of the state and local governments in this state;
 - (D) The relationship between the tax burden and the benefits citizens receive from government in this state;
 - (E) The impact of the state and local tax system on economic development;
 - (F) The relative simplicity of the tax system both in terms of government administration and taxpayer compliance.
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- (iii) Determine the impact of federal tax reform on Wyoming's state and local tax system and on businesses and individuals;
 - (iv) Review and evaluate forecasts of the most likely range of state and local revenue needs;
 - (v) Identify and analyze the revenue options available to Wyoming state and local governments by:
 - (A) Examining the revenue potential of each option;
 - (B) Analyzing how each option compares to the evaluation criteria established and its impact on the various segments of business and individual taxpayers; and

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(C) Assessing the relative impact of each option on economic development.

(vi) Make recommendations that fulfill the overall mission of the committee.

(c) The committee may engage the services of research firms of consulting expertise as necessary to carry out the purposes of this act. The governor's office or any agency of the executive branch as directed by the governor, shall provide necessary administrative and technical assistance to the committee in carrying out the purpose of this act.

(d) The committee shall report its findings with any recommendations to the governor and the legislature on or before July 1, 1999. The committee shall cease to exist on December 31, 1999.

Section 2. There is appropriated from the policy development reserve account (PDRA) two hundred thousand dollars (\$200,000.00), or as much thereof as may be necessary to the governor to carry out the purposes of this act.

Section 3. This act is effective July 1, 1997.

(END)

Appointments to the Tax Reform 2000 Committee

Five (5) members appointed by Governor Jim Geringer:

Warren Morton

Casper businessman and former Speaker of the Wyoming State House
139 West 2nd Street, #3-A
Casper, WY 82601

Beryl Churchill

Park County farmer and former member of the Park County Commission
848 Road 10
Powell, WY 82435

Shelby Gerking

Professor of Economics, University of Wyoming
2526 Mountain Shadow Lane
Laramie, WY 82070

Phil Noble

Cheyenne businessman
315 West 8th Avenue
Cheyenne, WY 82001

Rob Hurlless

Publisher of the Casper Star Tribune and community volunteer
P.O. Box 80
Casper, WY 82602

Three (3) members appointed by the 1997-1998 President of the Senate, Bob Grieve:

Senator Grant Larson, R-Teton

P.O. Box 3490
Jackson, WY 83001

Senator Bob Peck, R-Fremont

P.O. Box 993
Riverton, WY 82501

Former Senator Ray Sarcletti, D-Sweetwater

809 Maple Street
Rock Springs, WY 82901

Three (3) members appointed by the 1997-1998 Speaker of the House of Representatives,
Bruce Hinchey:

Representative John Hines, R-Campbell
714 West Echeta Road
Gillette, WY 82716

Representative Denny Smith, R-Park
601 Road 10
Powell, WY 82435

Representative Ross Diercks, D-Niobrara
P.O. Box 541
Lusk, WY 82225

Executive Director employed by Tax Reform 2000 Committee:

Irene Archibald
P. O. Box 472
Encampment, WY 82325
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**Tax Reform 2000 Committee
Meeting Dates and Locations**

	Date	Location
1.	September 16, 1997	Casper, Wyoming
2.	October 22, 1997	Riverton, WY
3.	November 19-20, 1997	Casper, WY
4.	January 19-20, 1998	Cheyenne, WY
5.	March 18-19, 1998	Casper, WY
6.	April 23, 1998	Casper, WY
7.	May 27-28, 1998	Gillette, WY
8.	June 19-20, 1998	Jackson, WY
9.	July 29-30, 1998	Rock Springs, WY
10.	August 21-22, 1998	Saratoga, WY
11.	September 23-24, 1998	Powell and Cody, WY
12.	October 29-30, 1998	Riverton, WY
13.	November 18-19, 1998	Casper, WY
14.	December 15, 1998	Cheyenne, WY
15.	January 9, 1999	Cheyenne, WY
16.	February 27, 1999	Cheyenne, WY
17.	March 29, 1999	Casper, WY
18.	April 22-23, 1999	Casper, WY
19.	May 27, 1999	Riverton, WY
20.	June 23, 1999	Cheyenne, WY

**State of Wyoming
Tax Reform 2000 Committee**

**Statement of Revenues and Expenditures
July 1, 1997 to June 30, 1999**

Revenues

State Appropriation	\$ 200,000.00
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Total Revenues	<u>\$ 200,000.00</u>
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Expenditures

Current Operating:

Salaries and Benefits	\$ 58,590.52
Travel Reimbursement	19,341.52
Office Expenses	9,611.61
Research Expenses	4,526.98
Publication Expenses	<u>20,176.00</u>

Total Expenditures	<u>\$ 112,246.63</u>
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Excess Revenues over Expenditures	<u><u>\$ 87,753.37</u></u>
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* The Tax Reform 2000 Committee will sunset on December 31, 1999.

CRITERIA FOR DETERMINING AND EVALUATING STATE AND LOCAL REVENUE OPTIONS

The mission of the Tax Reform 2000 Committee is to recommend standards and options for developing a fair, viable and economically competitive state and local tax structure capable of generating sufficient revenues to meet expected needs of the 21st century.

Task one, established by the act to meet this mission, is to develop criteria for determining and evaluating state and local revenue options. It is the belief of the Tax Reform 2000 Committee that Wyoming's revenue system should:

1. **Be accountable to taxpayers.** Tax laws should be explicit, not hidden. Tax choices should openly be discussed in full view of the electorate to stimulate debate. It means that policy makers must avoid hidden tax preferences for favored firms or groups of individuals. In a larger sense, accountability means policy makers must examine the costs and benefits of using revenue measures as tools to put non-fiscal policies into effect. Lawmakers have a responsibility to ensure that the policy produces the intended effect and does so at a reasonable cost.
2. **Rely on a balanced variety of revenue sources that will provide income to the state in a reliable manner.** A balanced variety of revenue sources ensures stable revenues and avoids a concentration of tax burdens on a few sources as to make rates distort economic behavior. A reliable manner also includes the concepts of certainty and sufficiency. The former provides that the number and types of tax changes will be kept to a minimum; the latter requires raising enough revenue to fund the level of services the state wishes to provide as determined by what voters and their representatives are willing to fund. When earmarking is used, there should be a direct link between the recipient of the funds and the earmarked revenue sources.
3. **Treat individuals and businesses equitably, imposing similar tax burdens on people and businesses in similar circumstances and minimizing regressivity.** Taxpayers must believe that the tax system does not benefit some groups or individuals at the expense of others. Business taxpayers must believe that the tax system creates a level playing field. The measures of regressivity or progressivity should be applied to state and local tax systems as a whole, not to particular taxes and user charges. A tax is regressive when taxpayers at lower incomes pay a greater percentage of their income in tax than do payers at higher incomes. Progressivity is the opposite of regressivity in that taxpayers at higher incomes pay a greater percentage of their income in tax than do payers at lower incomes.
4. **Be framed in such a way to enhance economic development efforts.** The revenue system should attract rather than deter businesses seeking to move into the state, or desiring to stay in Wyoming. The total package a state has to offer for economic development includes public services, energy and labor costs, access to markets, the availability of capital and its tax policies and structure. The total package is the measure

of a state's competitiveness. Taxes should help in providing a level playing field with similar treatment for all industries and all firms within a given industry within a state.

5. **Be composed of elements that support the ability of local governments to raise revenue to meet their needs.** The state must recognize the inter-relationship of state and local governments in revenue needs and service obligations. State policymakers must be aware of local government's costs and assure adequate redistribution of state resources to fund local government programs, avoiding competition between state and local governments for tax bases. States should recognize inequalities that may exist between local governments. State government should avoid unfunded mandates on local governments.
6. **Be easy to understand and administer, and therefore easy for the taxpayer to comply with as well as for the administrator to apply the system.** Ease of administration, sometimes called simplicity, encompasses several closely related principles:
 - Minimizing costs to the collecting government (administrative cost) and to the taxpayer (compliance cost).
 - Improving enforcement and preventing evasion.
 - Reinforcing confidence in the tax system.

Complexity in the tax system encourages special provisions that erode fairness and lowers confidence in tax systems and the elected officials who created them. Simplicity makes it easy for taxpayers to comply with the law, for businesses to plan, for the state to administer, and for citizens to understand the system so that they know that others are also paying their fair share.

7. **Be responsive to interstate and international economic competition and to changes in business.** Interstate and international economic competition is increasing and the way commerce is conducted has changed significantly since the 1970's. A state's overall tax policy needs to be considered in the competitive arena and respond to changes in the business environment. A favorable business climate may encourage new business to come and existing business to remain and expand.
8. **Minimize its involvement in spending and land use decisions.** The revenue system should ideally leave expenditures to the budgetary system and land use decisions to the owners and elected or appointed officials with jurisdiction over the land. A revenue system may include deductions, exemptions and credits to foster certain spending activities and earmark revenues for specific purposes. Policymakers should be certain that these measures not only do what is expected of them, but also reach their goal at a reasonable cost. State policymaker's influence in local government's land use decisions should be limited to those decisions that significantly effect the revenue system of the State.

**Committees Options for Tax Reform
Compared to the Committee's Criteria**

	(i) Is the tax option accountable to taxpayers	(ii) Does the tax option contribute to a balanced variety of revenue sources that will provide income to the state in a reliable manner	(iii) Does the tax option treat individuals and businesses equitably, imposing similar tax burdens on people and businesses in similar circumstances and minimizing regressivity	(iv) Is the tax framed to enhance economic development efforts. Will the tax attract and not deter businesses seeking to move into the state or desiring to stay in Wyoming.	(v) Is the tax option composed of elements that support the ability of local governments to raise revenue to meet their needs.	(vi) Would the tax option be easy to understand and administer, and therefore easy for the taxpayer to comply with as well as for the administrator to implement.	(vii) Is the tax option responsive to interstate and international competition and to changes in business.	(viii) Would the tax option minimize its involvement in spending and land use decisions.
Increase Cigarette, Alcohol and Motor Fuel Taxes	Current laws may favor certain industries	Fairly stable, increase in cigarette taxes may cause a decrease in tax collections depending on rate in surrounding states.	Regressive for lower income individuals.	Cigarette and liquor dealers have testified there would be loss in sales with tax increases.	Increases in taxes for cigarettes and fuel would benefit local governments due to distribution formulas. Increase in alcohol taxes would benefit the state.	Yes, administrative rules are in force	Cigarette dealers maintain increase in tax may cause state to become less competitive with border states.	Yes, unless tax increases are earmarked for certain causes. i.e. cigarettes – health issues. Any increase in fuel taxes must be used for transportation
Exclusions and Exceptions in the Sales and Use Tax Statutes	Though tax provisions are not hidden they do benefit certain industries, they are not explicit, and may be confusing.	A sales tax helps balance a revenue system and is reliable source of income.	The current sales tax law is regressive. Broadening the tax to include additional services could help negate this regressivity.	Broadening the tax could cause loss of business for some industries.	If current distribution formulas for state sales tax and the local option taxes remain in effect, broadening the sales tax would benefit local governments.	Broadening the tax to include certain exemptions and exclusions could make the tax less confusing to administer.	Broadening the tax to include certain exclusions and exemptions could mitigate the effects of loss of tax income due to Internet and catalog sales.	The state sales and tax laws does. The optional 1% capital facilities tax requires spending on capital facilities, only
Real Estate Transfer Tax	Depending on the revenue generated the costs to administer could outweigh benefits of the tax.	The tax would contribute to a more balanced system. Revenues may fluctuate with the real estate market.	Tax would need to be structured to assure equitable treatment.	Little effect.	It would depend on the provisions of the tax.	Tax could be collected in county clerk offices where filings are made.	The majority of states have some form of RE transfer tax.	It would depend on how funds are allocated and the definitions used.
Individual and Corporate Income Tax	An income tax would receive public input but it does not have to be put to a vote of state residents. Cost versus benefits would depend on tax rate.	The tax would contribute towards a more balanced tax structure. The tax would be more reliable than mineral taxes.	The constitutional provision would minimize regressivity and make the tax more progressive. A corporate tax would capture tax income from businesses with a low tax burden.	The tax may provide more stability to the state's tax system so that businesses could anticipate their tax liability. Some people maintain it would be a deterrent to economic development.	The tax could effect the passage of local optional taxes.	Administrative costs would depend on how complex the tax is structured. It would require a new state administrative department.	Many states with an income tax have a more balanced and equitable tax system. As businesses become more multi-state, WY may capture tax revenues on income made in WY	It would depend on how revenue is allocated.

	(i) Is the tax option accountable to taxpayers	(ii) Does the tax option contribute to a balanced variety of revenue sources that will provide income to the state in a reliable manner	(iii) Does the tax option treat individuals and businesses equitably, imposing similar tax burdens on people and businesses in similar circumstances and minimizing regressivity	(iv) Is the tax framed to enhance economic development efforts. Will the tax attract businesses seeking to move into the state or desiring to stay in Wyoming.	(v) Is the tax option composed of elements that support the ability of local governments to meet their needs.	(vi) Would the tax option be easy to understand and administer, and therefore easy for the taxpayer to comply with as well as for the administrator to implement.	(vii) Is the tax option responsive to interstate and international competition and to changes in business.	(viii) Would the tax option minimize its involvement in spending and land use decisions.
Increase the State Sales Tax	Same problems with current tax law would remain.	Would provide additional reliable income for the overall tax system.	Tax would remain regressive for lower income individuals.	The tax could effect retail sales of counties bordering other states.	An increase may affect the ability of local governments to pass optional sales taxes.	Administration and tax law in force.	The tax could effect retail sales of counties bordering other states.	It depends on how the additional tax would be distributed.
Statewide Lodging Tax	Accountability would not be a problem.	The tax would contribute to a balanced tax system and would be a reliable tax source.	The tax collection burden would be on one business of the tourism industry and all businesses would benefit.	The tax could make lodging quite expensive in certain areas of the state if other optional taxes are imposed.	A statewide lodging tax could impair the passage of optional lodging taxes.	The administration structure is currently in force.	The tax could make Wyoming's lodging rates more expensive than those of bordering states.	The tax would more than likely be earmarked for state's tourism industry.
Increase State Mill Levies	Same problems with current property tax would exist.	Revenue would not be reliable, minerals would pay bulk of increase.	Minerals would pay bulk of tax increase.	The mineral industry would not fully support economic development efforts.	The tax could affect the passage of local optional taxes.	Administrative structure is currently in force.	Many states are amending their tax structures to reduce reliance on the property tax	It depends on how additional income is distributed.
Increase assessment % for property classes other than minerals.	Same problems with current property tax would exist.	It would not effect minerals. It would bring more tax revenue from other classes and additional revenue would be more reliable.	Would continue the burden for low and fixed income individuals in areas of the state with high market values.	Economic development in industries other than minerals with large capital investments may be hindered.	It could affect the passage of local optional taxes.	Administrative structure currently in force.	Many states are amending tax structure to reduce reliance on property tax.	It depends on how income is distributed. May increase the number of property owners seeking the agriculture class.
Increase Mineral Severance Tax	If used to meet current spending needs would not meet one of the intended purposes of a severance tax to plan for the future when minerals are depleted or not valuable.	It would enhance the current reliance on minerals for a tax base and the income would not be as reliable as other tax sources.	The burden is on the minerals industry and would continue to enhance the current situation.	The mineral industry would not fully support economic development.	If current distribution formulas are used for the additional tax, it would mean additional revenues for local governments.	Administrative structure currently in force.	Wyoming could be less competitive with other mineral states. Severance taxes on some minerals do not tract with the price fluctuations of the mineral.	Depends on how income would be distributed. May deter future mineral development.

	(i) Is the tax option accountable to taxpayers	(ii) Does the tax option contribute to a balanced variety of revenue sources that will provide income to the state in a reliable manner	(iii) Does the tax option treat individuals and businesses equitably, imposing similar tax burdens on people and businesses in similar circumstances and minimizing regressivity	(iv) Is the tax framed to enhance economic development efforts. Will the tax attract businesses seeking to move into the state or desiring to stay in Wyoming.	(v) Is the tax option composed of elements that support the ability of local governments to raise revenue to meet their needs.	(vi) Would the tax option be easy to understand and administer, and therefore easy for the taxpayer to comply with as well as for the administrator to implement.	(vii) Is the tax option responsive to interstate and international competition and to changes in business.	(viii) Would the tax option minimize its involvement in spending and land use decisions.
Electrical Generation Tax	The tax would be a hidden tax.	The tax would add balance to the system and would be reliable.	The tax could be regressive for lower income individuals and singles out a specific industry.	The tax could affect the competitiveness of the electrical generation industry in Wyoming.	No	The tax could be collected by the Department of Revenue Excise Division, and since it is based on kilowatt hours of electricity should be easy to administer.	The tax could affect the competitiveness of the electrical generation industry in Wyoming.	It would be depend how the income would be distributed
Gross Receipts Tax	The tax could be considered a hidden tax.	The tax is broad based including many businesses not currently taxed. Tax is as reliable as a sales tax.	Some businesses may not be able to pass the tax on to others. The tax is paid whether profits are made.	The fact that it is not based on profits could deter development of new small businesses.	It would depend on how formulas and options in the tax law.	Administrative costs depend on the structure. Current sales tax administration could be used.	Internet and catalog sales would continue to be a problem.	It depends on how income would be distributed
Corporate Franchise Tax based on income. (Texas model)	The costs to implement and administer could exceed the benefits achieved depending on the rate.	It could bring more variety to the overall tax system and would be more reliable than mineral taxes.	All corporations and indemnity companies would pay. Whether the tax is considered an income tax and the constitutional provision apply is a question.	Businesses could have more certainty as to what to expect from the tax system. Some people maintain it would be a deterrent to economic development.	Current franchise tax goes to State general fund. Benefits for local government would depend on distribution formula of additional revenues.	The Secretary of State office currently collects and enforces tax. Additional personnel for collection and enforcement would be required.	As businesses become more multi-state, WY may capture tax revenues on income made in WY.	It depends on how additional income is allocated.
Employment Head Tax	The benefits would justify the costs to administer.	It would bring more variety to the overall tax system and the revenues should be fairly stable.	The tax would be regressive for lower income individuals since it is a flat rate per employee.	It could deter employment development since employers match employee contributions.	It would depend on the distribution formulas of tax revenues	The tax could be administered by the Department of Employment in conjunction with the quarterly unemployment report.	Only one state has a statewide head tax (Nevada). It is paid by the employer. Some municipalities assess the tax paid by both employer and employee.	It would depend on the allocation provisions of the tax

	(i) Is the tax option accountable to taxpayers	(ii) Does the tax option contribute to a balanced variety of revenue sources that will provide income to the state in a reliable manner	(iii) Does the tax option treat individuals and businesses equitably, imposing similar tax burdens on people and businesses in similar circumstances and minimizing regressivity	(iv) Is the tax framed to enhance economic development efforts. Will the tax attract and not deter businesses seeking to move into the state or desiring to stay in Wyoming.	(v) Is the tax option composed of elements that support the ability of local governments to raise revenue to meet their needs.	(vi) Would the tax option be easy to understand and administer, and therefore easy for the taxpayer to comply with as well as for the administrator to implement.	(vii) Is the tax option responsive to interstate and international competition and to changes in business.	(viii) Would the tax option minimize its involvement in spending and land use decisions.
Business Profits Tax (i.e. New Hampshire)	Tax revenue based upon New Hampshire model, (7% rate) should exceed costs to administer.	It would bring more variety to the overall tax system. It would be more reliable than mineral taxes. Tax applies to all business organizations.	All businesses would pay. NH does not have an individual income tax. Tax is based upon profits so it would not be a burden for new businesses. Constitutional provision probably would apply.	Businesses could have more certainty as to what to expect from the tax system. Some people maintain it would be a deterrent to economic development.	It would depend on the distribution formulas of tax revenues.	It would require a new department of state government. Administrative costs would depend on the complexity of the tax law.	As businesses become more multi-state, WY would capture tax revenues on income made in WY.	It depends on how additional income is allocated.
Intangible Tax on Ownership of Financial Assets (i.e. Florida)	Based on the Florida model, costs to administer may not justify the benefits.	It would bring more variety to the overall tax system and would be more reliable than mineral taxes.	The burden of the tax would be on business and higher income individuals with financial holdings in stocks, mutual & money market funds, bonds, loans and accounts receivable.	Tax could be a detriment to investment and saving.	It would depend on the distribution formulas of the tax revenues.	It would require a new department of state government. Administrative costs would depend on the complexity of the tax law.	No, very few states impose this type of tax.	It depends on how additional income is allocated.
Michigan Single Business Tax (SBT)	The costs to administer may not justify the benefits.	It would bring more variety to the overall tax system and tax flows in Michigan have been more stable than the previous state income tax.	The SBT is neutral as to business structure. It is not based on a business's ability to pay and is to be paid whether profits are made or not.	The fact that it is not based on profits could deter development of new small businesses.	It would depend on the distribution formulas of tax revenues	It would require a new department of state government. The SBT tax is difficult to file and administer. It has generated costly lawsuits.	As businesses becomes more multi-state, WY would capture tax revenues on income made in WY	It would depend on the allocation provisions of the tax.

	(i) Is the tax option accountable to taxpayers	(ii) Does the tax option contribute to a balanced variety of revenue sources that will provide income to the state in a reliable manner	(iii) Does the tax option treat individuals and businesses equitably, imposing similar tax burdens on people and businesses in similar circumstances and minimizing regressivity	(iv) Is the tax framed to enhance economic development efforts. Will the tax attract businesses seeking to move into the state or desiring to stay in Wyoming.	(v) Is the tax option composed of elements that support the ability of local governments to raise revenue to meet their needs.	(vi) Would the tax option be easy to understand and administer, and therefore easy for the taxpayer to comply with as well as for the administrator to implement.	(vii) Is the tax option responsive to interstate and international competition and to changes in business.	(viii) Would the tax option minimize its involvement in spending and land use decisions.
Increase Deposits to the Mineral Trust Fund	It would justify the severance tax as one to plan for depletion or economic obsolescence of the mineral wealth.	Since income earnings from the fund would increase, it would add balance and stability to state revenue sources.	NA	By providing a stable source of income, new and existing businesses could expand in WY with a better understanding of their tax liabilities.	The state constitution requires the income from the fund to be deposited to the State General Fund.	NA	NA	NA
Maximize Income in earned on the PWNMTF	It would assure WY is receiving the best return for its investment and risk tolerance.	Since income earnings from the fund would increase, it would add balance and stability to state revenue sources	NA	By providing a stable source of income, new and existing businesses could expand in WY with a better understanding of their tax liabilities.	The state constitution requires the income from the fund to be deposited to the State General Fund.	NA	NA	NA
New Revenue Source: Storage of nuclear fuel rods	Must determine whether the costs (both tangible and intangible) justify the benefits.	It may provide a source for additional permanent trust funds. Current funds earned should be permanently invested because of the temporary nature of the project.	It would be similar to a tax on minerals. It is a unique benefits package, with no adverse tax impact on people or businesses.	It would generate substantial employment and economic benefits. The project's benign nature will have little, if any, negative impact on other businesses.	The benefits package can be structured to fully reimburse local governments for any impact and may provide additional income.	Only one taxpayer involved. That taxpayer is well qualified to comply with all requirements of the statute and benefits package.	The project would provide an answer to a national need.	With close regulation by the Nuclear Regulatory Commission and the DEQ, the project will have very little impact on surrounding land use.
Examination of State and Local Government Spending	The study may inform citizens how tax dollars in Wyoming are spent.	NA	NA	NA	NA	NA	NA	Results of study could redirect or repeal past spending decisions.

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New Revenue Source: State Lottery	The costs to administer may not justify the benefits received.	Stability would depend on lottery pools of surrounding states and would fluctuate. Revenue raised would not add balance to current revenue system.	Lower and middle income individuals may be the primary supporters of a state lottery.	There would be little effect because a lottery in WY would not be competitive with other states. Participation in power ball could enhance purchases by tourists and local residents who now purchase out-of-state.	It would depend on how lottery proceeds are distributed.	Depending on the structure of a lottery, it may require a new department of state government.	It may prevent some state residents from purchasing lottery tickets from other states especially power ball tickets.	It would depend on whether funds would be earmarked for special projects as it is in some states.
New Revenue source: Excise Tax on each train mile and each public grade crossing (i.e. Nebraska)	Whether the benefits from the tax would justify the costs would depend on the rate.	It would probably not add to the balance or stability of Wyoming's tax system but would free some tax monies going to the Department of Transportation.	Tax would not be broad based but would be assessed against one industry, though some believe that industry does not pay its fair share.	Little effect either way.	Local governments could benefit if funds are used toward rail crossing facilities in their localities.	The Department of Transportation could administer the tax with a few additional employees.	NA	In Nebraska, the tax is earmarked to railroad crossings and is administered by the Department of Roads.
Institute a maximum number of mills for each taxing district to control property tax increases and special district formation.		NA	It could standardize the number of mills assessed in each taxing district, but would not control the tax value of each mill.	It may prevent the formation of special districts in areas with high mineral tax bases.	Local residents may not be able to exercise their voting option to establish special taxing districts.	It may be difficult for County Commissioners to enforce and Assessors to administer when there are many districts with overlapping boundaries.	NA	Spending and land use decisions could be affected.

	(i) Is the tax option accountable to taxpayers	(ii) Does the tax option contribute to a balanced variety of revenue sources that will provide income to the state in a reliable manner	(iii) Does the tax option treat individuals and businesses equitably, imposing similar tax burdens on people and businesses in similar circumstances and minimizing regressivity	(iv) Is the tax framed to enhance economic development efforts. Will the tax attract businesses seeking to move into the state or desiring to stay in Wyoming.	(v) Is the tax option composed of elements that support the ability of local governments to raise revenue to meet their needs.	(vi) Would the tax option be easy to understand and administer, and therefore easy for the taxpayer to comply with as well as for the administrator to implement.	(vii) Is the tax option responsive to interstate and international competition and to changes in business.	(viii) Would the tax option minimize its involvement in spending and land use decisions.
Local option property tax relief programs for individuals on low or fixed incomes		It could affect the stability of local property taxes. It could not be applied to taxes assessed for school purposes.	It may mitigate the burden of rising property taxes on low and fixed incomes. The option may only be adopted by local governments who could afford it unless state funding is provided.	NA	The local option would probably only be adopted by cities, counties and special districts that could afford to grant relief unless state funding is provided.	It would require a Constitutional amendment. It would mean additional administrative costs for local governments adopting the option.	NA	The loss of income may affect the spending decisions of local governments.
Minerals assets belong to the state and total tax income from them should be distributed equally throughout the state		It would provide more balanced income for local governments throughout Wyoming	NA	Some local governments would have more tax revenue to spend on economic development, others would have less.	It would benefit local governments without mineral wealth and would hurt local governments with mineral wealth.	It would depend on how the mineral taxes are assessed and the formulas for distribution.	NA	Spending decisions for local governments could be affected.
The present system of mineral tax distribution be continued. A portion of the mineral severance tax is distributed equally throughout the state and the property tax on minerals remain where collected.		Local governments lack balance in governmental funding	NA	NA	Counties with mineral wealth are more capable of raising tax revenues for governmental services.	Tax distribution and administration system is in place.	NA	It may affect spending decisions locally.

	(i) Is the tax option accountable to taxpayers	(ii) Does the tax option contribute to a balanced variety of revenue sources that will provide income to the state in a reliable manner	(iii) Does the tax option treat individuals and businesses equitably, imposing similar tax burdens on people and businesses in similar circumstances and minimizing regressivity	(iv) Is the tax framed to enhance economic development efforts. Will the tax attract businesses seeking to move into the state or desiring to stay in Wyoming.	(v) Is the tax option composed of elements that support the ability of local governments to raise revenue to meet their needs.	(vi) Would the tax option be easy to understand and administer, and therefore easy for the taxpayer to comply with as well as for the administrator to implement.	(vii) Is the tax option responsive to interstate and international competition and to changes in business.	(viii) Would the tax option minimize its involvement in spending and land use decisions.
One Mineral tax, one reporting form, one collection point	There could be administrative cost savings.	NA	NA	NA	It would depend on the distribution formulas.	1) The tax law may be easier to administer and to comply with. 2) Current check and balance system will be lost. 3) It would require a constitutional amendment 4) It may generate less contention between DOR and county governments.	NA	NA
One Mineral tax reporting form, one collection point	There could be administrative cost savings.	NA	NA	NA	It would depend on distribution formulas	1) The tax law may be easier to administer and to comply with. 2) Current check and balance system will be lost. 3) It would require a constitutional amendment 4) It may generate less contention between DOR and county governments.	NA	NA
Property Tax exemptions examined for applicability and ease of administration		NA	It may provide a more equitable tax system depending on changes that are made.	NA	If certain exemptions are deleted, there could be more revenues for local governments.	The tax laws would be easier to administer if certain exemptions are repealed or amended.	NA	NA

	(i) Is the tax option accountable to taxpayers	(ii) Does the tax option contribute to a balanced variety of revenue sources that will provide income to the state in a reliable manner	(iii) Does the tax option treat individuals and businesses equitably, imposing similar tax burdens on people and businesses in similar circumstances and minimizing regressivity	(iv) Is the tax framed to enhance economic development efforts. Will the tax attract businesses seeking to move into the state or desiring to stay in Wyoming.	(v) Is the tax option composed of elements that support the ability of local governments to raise revenue to meet their needs.	(vi) Would the tax option be easy to understand and administer, and therefore easy for the taxpayer to comply with as well as for the administrator to implement.	(vii) Is the tax option responsive to interstate and international competition and to changes in business.	(viii) Would the tax option minimize its involvement in spending and land use decisions.
One government given authority to select mineral tax appraisal method and a review of current mineral appraisal methods take place for simplicity		Taxes could be distributed on a more timely basis and not held until appeal is satisfied.	NA	NA	Would depend which entity is given authority to make selection.	There would be less contention between counties and the DOR	NA	NA
Consistency in assessment values between counties for similar properties with comparable market and production values	Taxpayers may believe that more consistency exists in the property tax system throughout the state.	NA	Individuals and businesses may be treated more equitably.	NA	NA	It may be difficult to implement without more state control that has its own ramifications.	NA	NA

REVENUE SOURCES
State Government
July 1, 1997 - June 30, 1998

Taxes	647,066,501.00
Federal Funds	\$ 473,783,794.00
Interest	363,223,222.00
Other Sources	373,019,424.00
Total	1,857,092,941.00

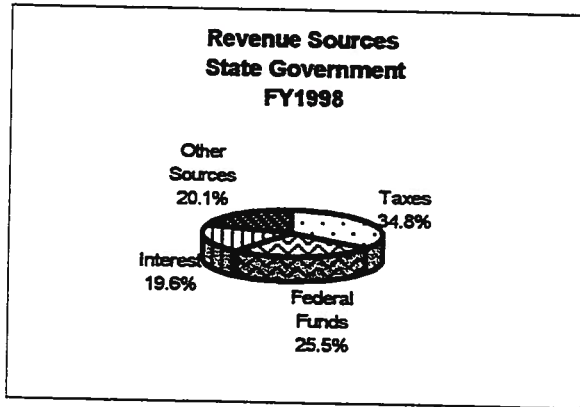


TABLE 1A

Source: State of Wyoming Comprehensive Annual Report for Fiscal Year Ended June 30, 1998

REVENUE SOURCES
Counties
July 1, 1997 - June 30, 1998

Tax	\$ 167,505,488.00
State	1,316,278.00
Federal	10,368,773.00
Interest	5,628,272.00
Other	33,361,430.00
Total	\$ 218,180,241.00

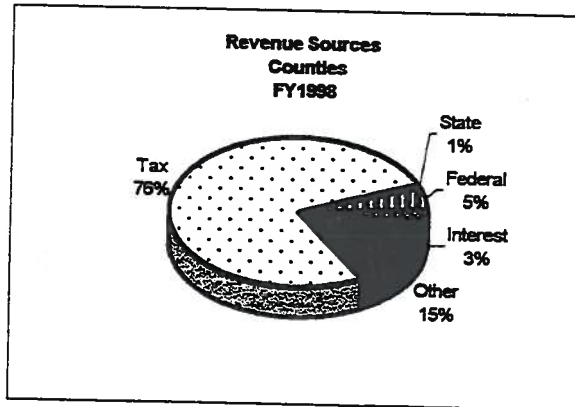


TABLE 1B

Source: County Finance Report, 1993 through 1998
 Prepared by Karen Musgrave, CPA, Local Government Program
 Coordinator Public Funds Division, Wyoming Department of Audit

REVENUE SOURCES
Cities/Town
July 1, 1997 - June 30, 1998

Tax Revenues	\$ 147,457,760.00
State	8,616,478.00
Federal Revenues	44,491,263.00
Interest	16,885,582.00
Other Sources of Revenue	181,320,328.00
Total	\$ 398,771,411.00

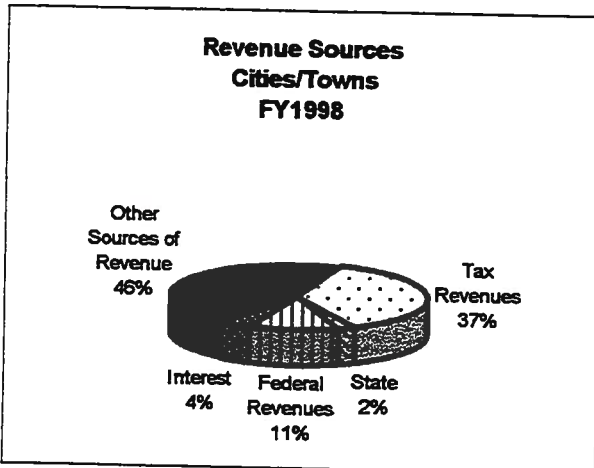


TABLE 1C

Source: County Finance Report, 1993 through 1998
 Prepared by Karen Musgrave, CPA, Local Government Program
 Coordinator Public Funds Division, Wyoming Department of Audit

REVENUE SOURCES
Special Districts
July 1, 1997 - June 30, 1998

Tax Revenues	\$ 26,194,556.44
Other Revenues	208,488,914.96
Total	\$ 234,683,471.40

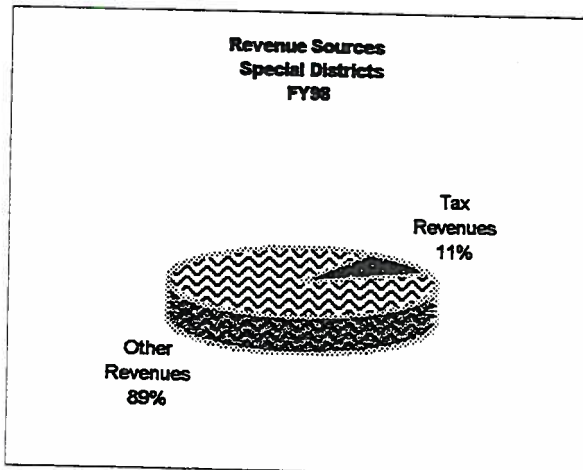


TABLE 1D

Source: Special District 1998 Revenue and Expenditures
 Public Funds Division, Wyoming Department of Audit

REVENUE SOURCES

School Districts

July 1, 1997 - June 30, 1998

Local Tax Revenues	\$ 386,684,886.00
State Revenues	73,783,786.00
Federal Funds	138,560,136.00
Interest	74,459,271.00
Other Revenues	45,678,454.00
Total	\$ 719,166,533.00

REVENUE SOURCES

Higher Education

July 1, 1997 - June 30, 1998

Tax Revenues	\$ 15,758,987.00
State Revenues	135,682,642.00
Federal Funds	30,421,711.00
Interest	2,612,878.00
Other Sources of Revenue	145,355,574.50
Total	\$ 329,831,792.50

Revenue Sources
School Districts
FY1998

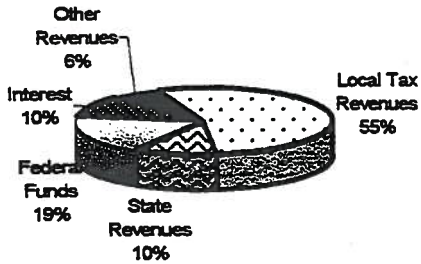


TABLE 1E

Source: Statistical Report Series No.3, 1997-98 Wyoming Public Schools Fund Accounting and Reporting

Revenue Sources
Higher Education
FY98

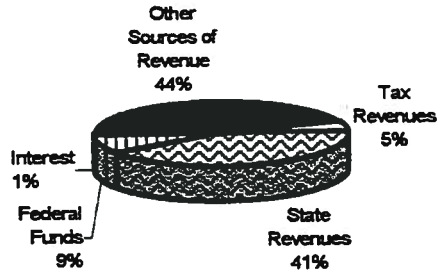


TABLE 1F

Source: State of Wyoming Comprehensive Annual Report for Fiscal Year ended June 30, 1998
University of Wyoming Financial Report, Fiscal Year ended June 30, 1998
Wyoming Community College System
Total Current Funds Report

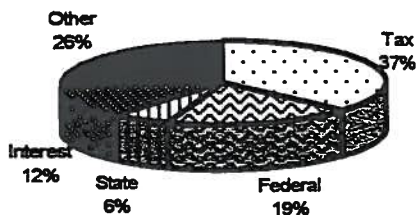
REVENUE SOURCES

All Governments

July 1, 1997- June 30, 1998

Tax	\$ 1,390,668,178.44
Federal	697,625,677.00
State	219,399,184.00
Interest	462,809,225.00
Other	987,224,125.46
Total	\$ 3,757,726,389.90

Revenue Sources
All Governments
FY1998



PRESENTERS

TAX REFORM 2000 MEETINGS

1997-1999

Name	Representing	Topic
<u>September 16, 1997</u>		
Governor Jim Geringer	State of Wyoming	Tasks of the Committee
Michael Walden Newman, Executive Director	Wyoming Taxpayers Association	Tax Reform 2000 History and Experiences of Other States
Scott Mackey	National Conference of State Legislatures	Revenue Balancing
Steve Furtney and David Black	Division of Economic Analysis	Current State Revenue Sources
<u>October 22, 1997</u>		
Johnnie Burton, Director	Wyoming Department of Revenue	Wyoming Tax Summary
<u>January 19-20, 1998</u>		
Joe Evans, Executive Director	Wyoming County Commissioners Association	Revenue Sources and Needs of County Governments
Michael G. Stull, Acting Director	Wyoming Association of Municipalities	Revenue Sources and Needs of Municipal Government in Wyoming
Bobbie Franks, Executive Director	Wyoming Conservation Districts	Revenue Sources and Needs of Special Districts-Conservation District
Grant Stumbough, Natural Resources	Wyoming Department of Agriculture	Revenue Sources and Needs of Special Districts – Weed and Pest Districts
Michael Boyd, CEO and Pat O'Brien, VP of Finance	Ivinson Memorial Hospital, Laramie, WY	Revenue Sources and Needs of Special Districts – Hospital Districts
Vernon H. Lovejoy, Research and Planning Officer	Wyoming Community College Commission	Revenue Sources and Needs of Special Districts – Community College Districts
Brenda Arnold, County Assessor	Laramie County	Local Property Tax Assessments
Robert Cox, Business Services Dean	Laramie County Community College	Revenue Sources and Needs of Special Districts – Community College Districts

**Gary Carver, Chief
Engineer**

**Wyoming Department of
Transportation**

**Wyoming Department of Transportation
Revenue Uses and Needs**

March 18-19, 1998

**Bill Joplin and John
Sundahl**

**Burlington Northern
Railroad**

Tax Burden: Railroads

John Sundahl

United State Tobacco

**Possible Consequences of Increasing the
Tobacco Tax**

**Marion Loomis and Larry
Wolfe**

**Wyoming Mining
Association**

Tax Burden: Mining Industry

**Francis Harris and Frank
Dickson**

AARP

Tax Burden: Retired Persons

Charlene Murdock

**Campbell County Chamber
of Commerce**

Tax Burden: Mining Industry

**Larry J. Bourret
Scott Zimmerman**

**Wyoming Farm Bureau
Rocky Mountain Farmers
Union**

Tax Burden: Agriculture

**Bob Tarantola, Jim
Murray, Bob Lockhart**

PacifiCorp

Tax Burden: Utilities

Lynn Birleffi

**Wyoming Restaurant
Merchant Association &
Wyoming Lodging and
Restaurant Association**

**Tax Burden: Retail Merchants and Travel
Industry**

Marlyn Black

Wyoming Travel Industry

William J. Thomson

**Wyoming Tobacco
Institute**

**Possible Consequences of Increasing the
Tobacco Tax**

**Dave Johnson, Executive
Director**

**Wyoming Bankers
Association**

Tax Burden: Banking Industry

Tom Jones

**Wyoming Wholesalers &
Coin Operators
National Federation of
Business**

Tax Burden: Small Business

Rick Robitaille

**Petroleum Association of
Wyoming**

Tax Burden: Oil and Gas Industry

Chris Chambers	Chevron USA	Natural Gas Taxation
Chuck Townsend	Townsend Oil Company	Small Producer Consequences
Phillip Ellis	Wyoming Stockgrowers Association	Tax Burden: Agriculture
Lora L. Coomes, Executive Director	Wyoming Auto Dealers Association	Tax Burden: Auto Dealers
Dick Hammer, President		
George Bartholomew	Missouri Basin Power Project	Tax Burden: Utilities
Don Boehm	Basin Electric Power Coop	

April 23, 1998

John A. Lichty, CPA	Wyoming Society of CPA's	Impact of Federal Tax Reform on Wyoming's State and Local Tax System and on Businesses and Individuals
Susan Bigelow, Director	Campbell County Economic Development Corporation	Report on a Survey Taken of Economic Development Directors in Wyoming
Michael Walden-Newman Executive Director Wenlin Liu, Senior Economist	Wyoming Taxpayers Association Division of Economic Analysis	Sales Tax Exemptions Quantification

May 27-28, 1998

Chales Peterson, President	Chempily Management Company	How Wyoming Lose Tax Money to the Colorado Tax System
Kent Goates, Vice President of Finance and Control	Kennecott Energy	The State of the Powder River Basin Coal Industry and The Utah Tax Reform Process
Steve Sommers, Budget and Fiscal Manager	State of Wyoming Legislative Services Office	CREG Revenue Forecast Update
Shelby Gerking, Professor of Economics	University of Wyoming	The Relative Burden Imposed by the Tax System

June 19-20, 1998

Dave McCracken, Administrator	Ad Valorem Division, Department of Revenue	Review of Agricultural Land Valuation Methodology
Dan Cook III, Chairman	Texas Select Committee on Tax Equity	The Texas Tax Reform process
Joe Evans, Executive Director	Wyoming County Commissioners Association	WAM/WCCA Sub Committee Report – Local Government Revenue Needs
Ann Stephenson, County Commissioner	Teton County	
Pete Jourgensen, Trustee	University of Wyoming Board of Trustees	University of Wyoming Budget

July 29-30, 1998

Todd S. Pitkin	Pitkin and Associates	Quantification of Sales Tax Exemptions
Joyce Stewart, Administrator	Excise Tax Division, Wyoming Department of Revenue	Electronic Commerce
Wind River Reservation Business Council	Wind River Reservation Business Council	Tax Issues on the Wind River Reservation
Dave Rauzi, President	Wyoming County Assessors Association	County Assessor's Comparison of Replacement Cost Less Depreciation versus Market Value on Selected Properties
Suzanne Olmstead, Assessor	Teton County	Teton County Assessment Issues

August 21-22, 1998

Randy Bolles, Administrator	Mineral Division, Wyoming Department of Revenue	Mineral Tax Administrative Issues
Henry Hewitt	Wyoming Realtor's Assn.	Real Estate Transfer Tax Discussion

Tom Satterfield, County Commissioner	Fremont County	Update from the WAM/WCCA Committee on Local Government Revenue Needs
George Parks, Executive Director	Wyoming Association of Municipalities	
Wade Waldrip, Attorney	Carbon County	Ad Valorem Taxation from a County Perspective
Joyce Stewart, Administrator	Excise Division, Wyoming Department of Revenue	The Examination of Written Sales Tax Exemptions for Possible Deletion and the Possibility of Applying the Sales Tax to Certain Services Currently not Taxed
Philip L. Dubois, President	University of Wyoming	Future Revenue Needs of the University of Wyoming

September 23-24, 1998

Bob Gose, Co-Chair and Interim CEO	Wyoming Business Council	Business Council Update
Terry Swenson, President	Heart Mountain Farm Supply	A Perspective of Doing Business in Northern Wyoming
Jim Browning, President	Powell Equipment, Inc.	
Lyle French and Regan Smith	Park County Farm Bureau	Consequences of Taxes on Agriculture
Bob and Carol McDougall	Phoenix Production Company	Independent Oil Producer's Taxation Concerns
Jim Vanaman, Finance and Administrative Manager	Marathon Oil Company	Marathon's Contribution to Park County and Proposed Tax Alternatives
Dick Wallis and Eric Nelson	Horse Track/Video Gaming	A Proposal for Gaming

October 29-30, 1998

Tom Satterfield, County Commissioner	Fremont County Commissioners	Revenue Needs for Local Governments
George Parks, Executive Director	Wyoming Association of Municipalities	
Joe Evans, Executive Director	Wyoming Association of County Commissioners	
Robert Anderson	Organizer/Promoter	Owl Creek Energy Project
Dan Sullivan	Self	An Alternative Tax for Education

November 18-19, 1998

Dan Noble, Administrator	Wyoming Department Of Revenue, Administrative Services Division	The Costs to Administer a State Income Tax
Cynthia Lummis, Treasurer Elect	State of Wyoming, Treasurer Elect	Legislative Intent of the Tax Reform Legislation
Michael Walden-Newman, Executive Director	Wyoming Taxpayers Assoc.	
Johnie Burton, Director	Wyoming Department of Revenue	

March 29, 1999

Dan Noble, Administrator	Wyoming Department of Revenue, Administrative Services Division	Estimation of Possible Revenues from a State Individual Income Tax
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PUBLIC INPUT
TAX REFORM 2000 MEETINGS
1997-1999

Individuals Who Spoke During Public Input Session at Committee Meetings

January 19-20, 1998

Speaker	Representing	Topic of Concern
Chesie Lee	American Cancer Society	Legislation being delayed on a cigarette tax increase.

March 18-19, 1998

Speaker	Representing	Topic of Concern
Woody Giles	Common Ground USA	Escalating property taxes and possible solutions.
Bob Tanner	State Representative, Natrona County	Trimming tax exemptions and decreasing government spending.
Dr. John Roussalis	Wyoming Dental Association	Sales and use tax on non-capitalized materials and equipment.
Glenda Stark	Self	Trimming tax exemptions and decreasing government spending.

April 23, 1998

Speaker	Representing	Topic of Concern
Kent Goates	Kennecott Energy	Impact of Federal tax and royalty policy on mineral business in Wyoming.
Dr. Jim Hough	Wyoming Dental Association	Sales and use tax on non-capitalized materials and equipment.
Bob Tanner	State Representative, Natrona County	Tax exemptions and the impact of special districts in Wyoming.
Sarah Gorin	Equality State Policy Center	Suggested changes in the committee's adopted report outline.

May 27-28, 1998

Speaker	Representing	Topic of Concern
Les Desavedo	Campbell County Commissioner	Campbell County's opposition to county property tax distribution equalization. He informed the committee that a sub-committee of the Wyoming County Commissioner's Association has been formed to work with the Tax Reform 2000 Committee.
John Kennedy	Wyoming Independent Oil Producers	The non-competitiveness of the independent oil industry in Wyoming
Allen Weekly	Self	The need for Wyoming to adjust its tax structure in order to meet the challenges of the future.
Bill Hayes	Self	The suggestion of a security transactions tax.
Dan Sullivan	Consultant	The need to look at tax exemptions and rates to amend the Wyoming tax structure.

May 27-28, 1998

Speaker	Representing	Topic of Concern
Ed Patterson	Wy Prop	The inequities that exist with regard to the uniformity of ad valorem neighborhood appraisals in Wyoming.
Marcia Wright	Campbell County Librarian	A request for the committee to consider the needs of libraries when making their tax reform suggestions.
Marion Loomis	Wyoming Mining Association	Presented the distribution of the coal severance tax of 10.5% when it was assessed from 1978-1986.

June 19-20, 1998

Speaker	Representing	Topic of Concern
Sandy Shuptrine	Teton County Commissioners	She asked the committee to be constructive, to look at other states' revenue sources and stressed that all state residents should contribute their fair share.
Lynn Birleffi	Wyoming Restaurant Association	She explained how Wyoming liquor taxes are assessed in relationship to other states where the state is not a liquor wholesaler.
Marshall Gingrey	Self	He asked about the purpose and process of the committee. He encouraged that constituents be kept well informed.
Ann Stephenson	Teton County Commissioners	She discussed the tax income to Teton County and its uses. She encouraged the committee to consider a Real Estate Transfer Tax.
Jeff Heilbrun	Teton Pines	He discussed tourism spending and the fact that double-digit tax rates will deter tourism spending. He discussed his concerns with a statewide lodging tax.
Nels Smith	Wyoming Stock Growers Association	He pointed out that agricultural property taxes based upon production decreases the pressure on agriculture to convert to other uses. He told the committee, as a drafter of the State Constitution income tax amendment, that the intention was to have property and sales taxes deducted from the actual income tax due rather than a deduction from taxable income.
Larry Wolfe	Holland and Hart	He discussed the methods available for the appraisal of industrial properties.
Ed Patterson	Wy Prop	He believes property taxes are already high and that a real estate transfer tax would add insult to injury. He would like the committee to consider WY Prop's proposals to lessen property tax burdens.

June 19-20, 1998 Cont.

Speaker	Representing	Topic of Concern
Crosby Allen	Fremont County Commissioner	He mentioned that the rest of Fremont County is seeing an increase in property values similar to what had occurred in Dubois. He said the retired and individuals on fixed incomes are being affected. He would like to see a cap through legislation on ten (10) percent per year be instituted on the increase in property values or a system where property taxes would not increase until the property is sold. He believes agricultural land should be classified by use not size.

July 29-30, 1998

Speaker	Representing	Topic of Concern
Robb Slaughter	Sweetwater County Treasurer	Concern that the local optional sales taxes would not pass if the state tax was increased.
Colleen Peterson	Director of Finance, City of Rock Springs	Concern over questionnaires from the state legislature asking for cash reserve information and whether large reserves would prevent an entity from receiving grant funding.
Valerie Thomas	Self	Urged the committee to consider repealing tax exemptions rather than increasing the sales tax because of its regressivity.
David Okano	Wyoming Dental Association	Encourage committee not to suggest taxing professional services. The tax would be passed on to patients and would affect lower income people.
Sarah Gorin	Equality State Policy Center	Believes the mineral industry could be taxed more than they presently are.
Dave Johnson	Wyoming Bankers Association	The Bankers Association would rather see commercial property taxes increased rather than have a sales tax applied to banking services.
Tom Jones	Wyoming Library Association	Encouraged a better funding mechanism for Wyoming libraries that would provide equal services throughout the state.
Tom Jones	Self	Encouraged that taxes collected by local governments be more equally distributed throughout the state. Suggested a system similar to that used for school funding.
Karen Henry	Wyoming Farm Bureau	Asked the committee about the status of the nuclear rod storage project. Peck told her that a full blown economic study is being done on the project.

July 29-30, 1998 Cont.

Speaker	Representing	Topic of Concern
Chris Boswell	House District 39	Encouraged the committee not to take the easy way out and suggest a sales tax increase, but to look at the revenue problem in greater detail and be creative as the legislature intended. Encouraged the committee to look at the sales tax exemptions.
Jack Steinbrech	House District 48	Proposed a tax on the transfer of stocks and bonds. Asked the committee not to consider an income tax.
Tom Bunning	Red Horse Oil Co.	Concerned about the two cent off road diesel fuel tax to which is also assessed the state sales tax.
Larry Bourret	Wyoming Farm Bureau Federation	Clarified for the committee that the agricultural industry pays \$31.6 million in sales taxes. Suggested some possible solutions for the agricultural land valuation problems.
Lynn Birleffi	Wyoming Retail Merchants Assn. And Wyoming Lodging and Restaurant Assn.	Encouraged the committee to survey county assessors about the problems they incur with defining charitable institutions.

August 21-22, 1998

Speaker	Representing	Topic of Concern
Steve Thomas	Greater Yellowstone Coalition	Encouraged the committee to suggest a real estate transfer tax to help mitigate the costs of subdivision development. Suggested that agriculture be exempt.
Sarah Gorin	Equality State Policy Center	Encouraged the committee to study the effectiveness of oil and gas incentives to see if revenues are being lost on production that would have taken place without the incentives.
Geroge Parks and Jerry Wall	Wyoming Association of Municipalities	Encouraged the committee to follow the activities of the U.S. Senate on the Internet legislation. The current bill before the Senate would establish a commission to study the effects of catalog and internet sales on commerce and to look into the question of nexus. Hines instructed Archibald to write a letter of support to the Wyoming delegation advocating the commission's formation and informing them of the Tax Reform 2000 committee's position.
David Perry	Publisher – Rawlins Daily Times	Expressed his concern that as an individual he does not pay enough taxes in Wyoming. Encouraged the committee to study railroad taxation possibilities.

August 21-22, 1998 Cont.

Speaker	Representing	Topic of Concern
Ed Patterson	Wy Prop	Believes a real estate transfer tax would be less regressive than an increase in the property tax mill levies. Stated that agriculture should not be exempt from a real estate transfer tax because it would help make up for the tax breaks agriculture currently has.
Art Zeiger	Carbon County Commissioner	Thanked the committee for holding their meeting in Saratoga.
Richard Hodges	Self	Suggested that if the committee must recommend increasing taxes that they suggest taxes that will hit everybody. Believes that expenditures could also be controlled before increasing taxes.

September 23-24, 1998

Speaker	Representing	Topic of Concern
Duane Edmonds	Self	Encouraged the committee to suggest a real estate transfer tax and to eliminate current sales tax exemptions.
Wayne Chesnut	American Legion	Encouraged the committee to recommend gambling as a source of revenue and a real estate transfer tax.
Brad Haskell	Haskell Furniture and Northern Wyoming Tax and Revenue Committee	Would like to see stricter enforcement of the State's use tax prior to any increase in the state's sale/use tax. Suggested stronger monitoring of the state's borders and installation of signs that would explain the use tax law to individuals crossing into Wyoming.
Dan Sullivan	Government Relations	Suggested an interstate compact between Wyoming and its bordering states to enforce the use tax laws.
Chesie Lee	Americans Discuss Social Security and the American Cancer Society	Encouraged participation in the <i>Americans Discuss Social Security</i> effort by The Pew Charitable Trusts and presented information on additional taxes that could be raised from an increase in the cigarette tax.
Lynn Birleffi	Wyoming Retail Merchants Assn. And Wyoming Restaurant and Lodging Assn.	Presented three proposals for research studies: impacts of an increase in the sales tax, leakage and gambling/lotto. Informed the committee of a publicity campaign on the use tax by the Retail Merchants, discouraged the elimination of the sales tax on groceries and asked that committee not to suggest an increase in a tax just because Wyoming's tax is lower than other states.
Jim Hilberry	Self	Expressed his concerns about the status of agriculture. Cautioned against tax increases and suggested considering expenditures decreases especially in education.

September 23-24, 1998

Speaker	Representing	Topic of Concern
Duane Edmonds	Self	Encouraged the committee to suggest a real estate transfer tax and to eliminate current sales tax exemptions.
Lisa Burgess	Wyoming Department of Revenue	Informed the committee the Ad Valorem Division is working on a resolution of the valuation problems with oil field equipment.
Rich Robitaille	Petroleum Association of Wyoming	Stated the Association is also working on a solution for the valuation of oil field equipment.
Joe Reed	Self	Suggested it may be time for Wyoming to adopt an income tax. He would not support a gross receipts tax that requires tax payment whether a profit is made or not.
Paul Hoffman	Cody Chamber of Commerce	Presented the results of a study in Park County that listed the reasons people go to Montana to shop. Montana's lack of a sales tax was the last reason of seven. Price was listed first.
Pat Childers	House District 50	Wyoming may seriously have to consider an income tax if it is to survive.

October 29-30, 1998

Speaker	Representing	Topic of Concern
Marion Loomis	Wyoming Mining Association	Commended the committee on a tremendous effort and asked that the committee consider recommending a tax system as if we were a new state starting from day one.
Ann Stephenson	Teton County Commissioners	Presented a letter from the Teton County Commissioners that suggested the committee not look at property taxes or the sales tax for additional revenues but should consider a real estate transfer tax
Walter Halderman	Wy Prop	Presented a proposal that advocated basing property taxes on cost value with an inflationary adjustment rather than market value.
Ed Lee	Lander	Did not want the committee to consider an income tax because of the decreased purchasing power of Wyoming wages. Suggested that property taxes be based upon a four-year average of market values rather than each year's current market value. This would take a constitutional change

November 18-19, 1996

Speaker	Representing	Topic of Concern
Rick Tempest	House District 37	Explained his bill to eliminate sales tax exemptions.
Glenda Stark	Self	Advocated cutting government expenses before taxes are raised.
Carolyn Paseneaux	House District 38	Advocated cutting government expenses before taxes are raised.
Joe Meyer	Wyoming Secretary of State-Elect	Presented his thoughts on Gerking's proposals. Suggested use of revenue bonds, mentioned that the cash flow in the state was bad because of the reliance on mineral income, and that the committee should also consider how mineral royalties are spent. Suggested three studies the committee should review: 1) Griffin-Hagen Report, 1931-32, 2) A UW report on the population mix in the state and 3) 1968 Hansen Report.
Stephanie Reeves	Wyoming Association of Municipalities	Encouraged the state to prepare a report that has long term recommendations and suggests a tax system that is balanced, reliable, and equitable.

February 27, 1999

Speaker	Representing	Topic of Concern
Governor Jim Geringer	Self	Expressed his concerns with the Committee's possible income tax proposal and the loss of sales tax revenue through Internet sales. Requested the final report contain a menu of recommendations
State Treasurer Cynthis Lummis	Self	Discussed the pending study on the expenditures of State government, local government funding and the investment goals of the State Treasurer's office
Sen. Bill Hawks	Senate District 29	Suggested Government may be providing services residents to not want. There is a need to differentiate between those residents who know what services they receive and either like them or believe they don't need them.
Rep. Bob Tanner	House District 57	Suggested a reallocation of revenues from severance taxes and mineral royalties away from local governments to State government. Local governments should then be given more local tax authority.
Sen. Jayne Mockler	Senate District 8	Requested that additional economic trend information be included in the final report.
Rep. Colin Simpson	House District 25	Suggested sales tax reporting for businesses currently not taxed to determine what revenues could be generated.

February 27, 1999 Cont.

Speaker	Representing	Topic of Concern
Rep. Pat Childers	House District 50	Distributed a report on revenue and tax collection information on the oil industry. Encouraged the State to diversify their tax revenues and to tax income rather than revenues.
Rep. Randall Luthi	House District 21	Suggested establishing the real estate transfer tax to fund a homestead exemption for residential property tax payers.
Sen. Steven Youngbauer	Senate District 23	Believes the expenditure study will be important to clarify essential and non-essential services. All statutory earmarking must also be studied. Continued price decreases in the coal industry may not only mean a decrease in tax revenues but also a loss of jobs. If the State wishes to equalize the tax distributions throughout the State it must consider all tax and revenue sources not just property taxes.
Rep. Jim Hageman	House District 5	Suggested that an income tax is a way to tax services in this State that do not pay taxes otherwise.
Chuck Coleman	Self	As a newcomer from the State of Wisconsin, he suggested that the best tax policy for economic growth was one of moderation.
Larry Wolfe	Quaestar Corp	Believes Wyoming must establish a tax policy because uncertainty brings a lack of economic development.
Marion Loomis	Wyoming Mining Association	Encouraged the Committee to build a tax system from scratch considering the State's economic wealth bases that would yield a broader tax structure.
Lynn Birleffi	Wyoming Lodging and Restaurant Association	Stated the expenditure study should look at both local and state government expenditures. Believes the Committee should also study the reporting of current taxes and if more enforcement is needed.
Tom Morton	Self	Suggested the Committee gather information on residents who do not benefit from government services.

March 29, 1999

Speaker	Representing	Topics of Concern
Tom Satterfied	Wyoming County Commissioners Association	Suggested changes and clarifications to make to the Preliminary Report. A written letter will be forthcoming.
George Parks	Wyoming Association of Municipalities	Stated there was little in the Preliminary Report that his association could take issue with and congratulated the Committee on a well thought out report. Encouraged the Committee to stick with the options they presented in the Preliminary Report
Tom Throop	Equality State Policy Center	Stated the need for the Committee to further assess the fairness and efficiency of the current tax administration system. A letter outlining his concerns was delivered to the Committee.
Lynn Cameron	Wyoming Girl Scouts	Asked that the Committee not suggest eliminating the sales tax deduction that non-profit organizations have on occasional sales.
Mike Moser	Wyoming Liquor Association	Cautioned that any increase in the State's wine and spirits taxes would impact small business. The wine and liquor dealers, because of the Wyoming wholesale mark up, are at a competitive disadvantage with surrounding States. Larson asked if any dealers order over the Internet and resell it. Moser commented that it would be tempting because retail prices on the Internet are lower than the State of Wyoming wholesale prices.
Donna Ruffing	Niobrara County Commissioner	Stated that Niobrara County's assessed valuation will be decreasing in the next fiscal year due to decreased oil valuations. The infrastructure in the county is in terrible shape. Believes the county fee schedule which is set by the legislature should be changed and counties given more authority.
Bob Tanner	House District 57	Expressed the need for citizens of Wyoming to be educated as to the services they receive from governmental entities. Suggested that each county and city consider how local taxing authority can replace the severance tax and mineral royalty revenues.
Dan Sullivan	Self	Warned the Committee that because of current statutes and Constitutional provisions, educational funding expenditures will continue to rise. Suggested that the Supreme Court decision and the Constitution provision for education be examined for change.

March 29, 1999 Cont.

Speaker	Representing	Topics of Concern
Ralph Myers	Self	Suggested that cigarettes and alcohol taxes that have not been raised since 1935 be increased. He warned the free ride from minerals is gone and the State should be harnessing tax revenues from other businesses such as attorneys.
Tom Jones	Owl Creek Energy Project	Thanked the Committee for addressing this project in the Preliminary Report and encouraged continued support.

April 22-23, 1999

Speaker	Representing	Topics of Concern
Tom Throop	Equality State Policy Center	Asked the Committee for more timely notice of Committee meetings. Stated the need for the Committee to further assess the fairness and efficiency of the current mineral tax administrative system.
Dave Baskin	Self	Believes if Wyoming implements an income tax, wealthy people will move to other states. Stated that retired individuals contributed to the economy through their consumption patterns.
Tom Throop	Equality State Policy Center	Believes Wyoming needs to look at the fairness of its tax policy by considering exclusions and taxes that have been allowed to either expire or were reduced. Expressed concern that if new taxes are added that others will be reduced. Encouraged the committee to develop a chart that shows the tax burden of different taxpayers.
Ann Anderson	Self	Stated she agreed with Tom Throop and Dave Baskin. Opposed the imposition of a new income tax that would add a new level of government. Suggested the Committee consider a lottery.

May 27, 1999

Speaker	Representing	Topics of Concern
Rep. Jim Rose	House District 14	Spoke about and for the electrical generation tax.
Bob Tarantola	PacifiCorp	Spoke against electrical generation tax.
Sen. Jayne Mockler	Senate District 8	Spoke for the electrical generation tax.
George Bartholomew	Missouri Basin Power Project	Gave input on the effects of the electrical generation tax and further against the electrical generation tax.
Tom Throop	Equality State Policy Center	Spoke for the electrical generation tax.
Johnnie Burton, Director	Wyoming Department of Revenue	Talked about special district formation.

May 27, 1999 Cont.

Speaker	Representing	Topics of Concern
Ann Stephenson	Teton County Commissioner	Would rather see a real estate transfer tax than an increase in the sales and use tax.
Jeff Heilbrun	Wyoming Lodging and Restaurant Association	Spoke against a statewide lodging tax.
Capt. Joseph Pepper	Wyoming Restaurant Association	Spoke against a statewide lodging tax.
George Parks	Wyoming Association of Municipalities	Spoke regarding local tax options.
Dan Sullivan	Wyoming Taxpayers Association	General advocated a general study on local government authority.

WRITTEN PUBLIC INPUT
1997-1999

Written Public Input:

The Tax Reform 2000 Committee sought written public input through radio, television announcements, newspaper articles and advertising. Individuals expressed their opinions by mail, fax and e-mail. The Committee received 189 written letters from individuals residing in twenty-one of the State's twenty-three counties.

Though most letters contained opinions on many topics, the Committee did categorize each letter by the major point made. The following categories received comments:

Anti-income tax	38
Pro-income tax	21
No new taxes	10
Sales tax concerns	10
Property tax concerns	24
Excise tax concerns	11
Mineral tax concerns	5
Anti-nuclear waste storage	5
Other revenue suggestions	34
State and local expenditure control	14
Miscellaneous topics	<u>18</u>
TOTAL	188