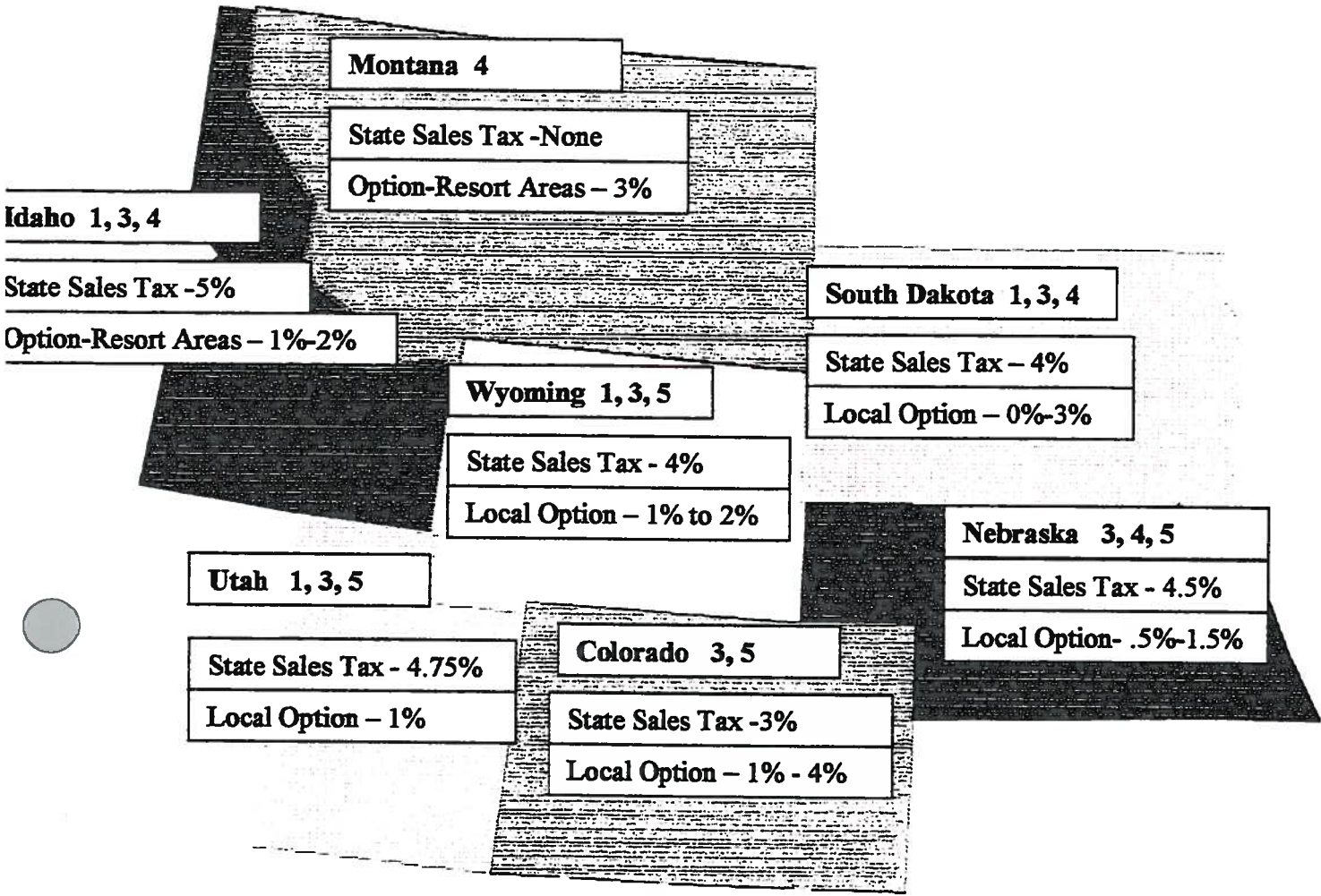


**SURROUNDING STATES
SALES AND LODGING TAX
JULY, 1998**



1997 Tax Collections in Wyoming:

Sales Tax	Use Tax	Total
State - \$253.6 Million	State - \$34.5 Million	\$288.1 Million
Local Option- \$63.3 Million	Local Option- \$15.8 Million	\$79.1 Million

Sales Tax Codes: 1 - Taxes Groceries; 2- Taxes Prescription Drugs; 3 - Taxes Non-Prescription Drugs; 4 - Statewide Lodging Tax; 5 - Local Option Lodging Tax

REVENUE ENHANCEMENT OPTIONS (CREG ESTIMATES):

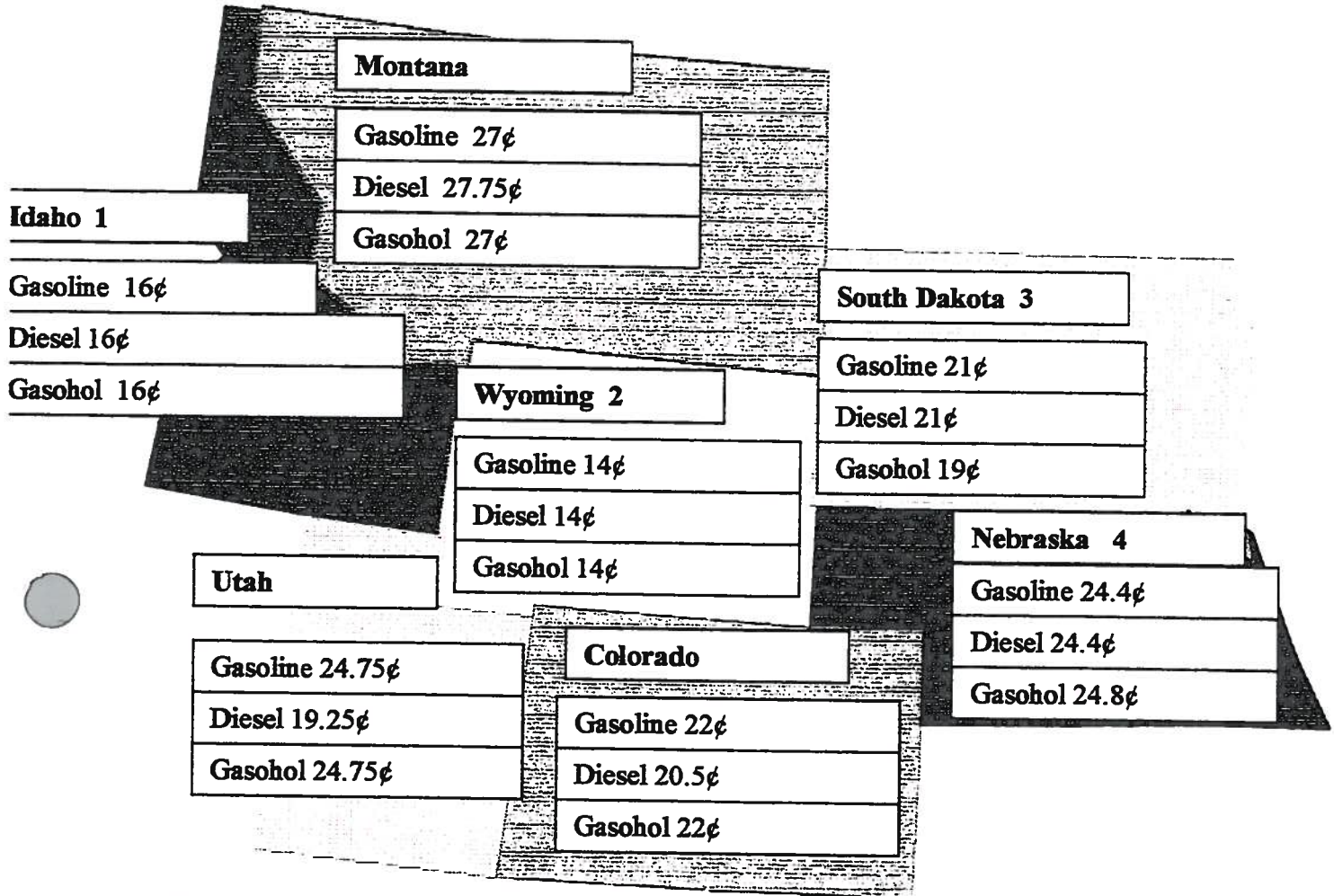
SALES TAX INCREASE WOULD GENERATE:

Increase	FY99	FY00	FY01	FY02
½ ¢	\$40.75 Million	\$41.85 Million	\$43.45 Million	\$46.15 Million
1 ¢	\$81.5 Million	\$83.7 Million	\$86.9 Million	\$92.3 Million

FOOD EXEMPTION LOSS OF REVENUE WOULD GENERATE:

Decrease	FY99	FY00	FY01	FY02
1 ¢	\$7.0 Million	\$7.2 Million	\$7.5 Million	\$7.8 Million
2 ¢	\$14.0 Million	\$14.4 Million	\$15.0 Million	\$15.6 Million
3 ¢	\$21.0 Million	\$21.6 Million	\$22.5 Million	\$23.4 Million
4 ¢	\$28.0 Million	\$28.8 Million	\$30.0 Million	\$31.2 Million

**SURROUNDING STATES
FUEL TAXES
JULY, 1998**



1997 Tax Collections in Wyoming:

Gasoline and Gasahol Tax	Diesel Tax	Total
\$28.9 Million	\$ 24.5 Million	\$53.4 Million

Gasohol Credits - \$ 1.4 Million

Codes: 1 - Sales Tax Added 2 - Gasohol Credit Program 3- Local Option Tax of 1¢ 4 - Rates are Adjusted Quarterly

REVENUE ENHANCEMENT OPTIONS (CREG ESTIMATES):

INCREASE IN THE FUEL TAX WITH CURRENT EXEMPTIONS WILL GENERATE:

Increase	FY99	FY00	FY01	FY02
1¢	\$5.1 Million	\$5.1 Million	\$5.1 Million	\$5.1 Million
2¢	\$10.2 Million	\$10.2 Million	\$10.2 Million	\$10.2 Million
3¢	\$15.3 Million	\$15.3 Million	\$15.3 Million	\$15.3 Million
4¢	\$20.4 Million	\$20.4 Million	\$20.4 Million	\$20.4 Million
5¢	\$25.5 Million	\$25.5 Million	\$25.5 Million	\$25.5 Million

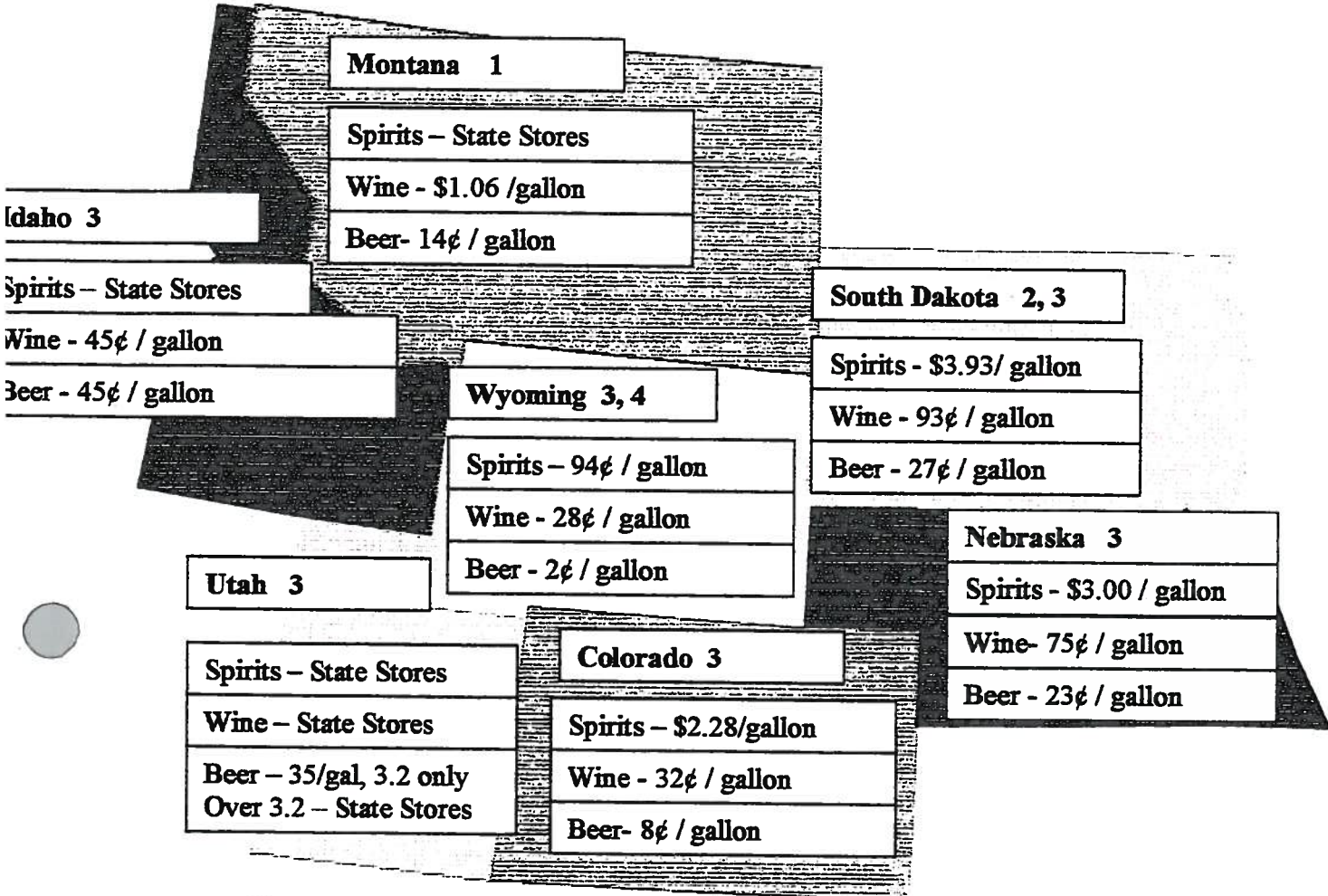
INCREASE IN THE FUEL TAX WITHOUT CURRENT EXEMPTIONS WILL GENERATE:

Increase	FY99	FY00	FY01	FY02
1¢	\$7.1 Million	\$7.2 Million	\$7.2 Million	\$7.2 Million
2¢	\$14.2 Million	\$14.4 Million	\$14.4 Million	\$14.4 Million
3¢	\$21.3 Million	\$21.6 Million	\$21.6 Million	\$21.6 Million
4¢	\$28.4 Million	\$28.8 Million	\$28.8 Million	\$28.8 Million
5¢	\$35.5 Million	\$36.0 Million	\$36.0 Million	\$36.0 Million

MOTOR FUELS SUBJECT TO SALES TAX WOULD GENERATE (4%):

FY99	FY00	FY01	FY02
\$24.6 Million	\$26.4 Million	\$28.2 Million	\$30.0 Million

**SURROUNDING STATES
LIQUOR TAXES
JULY, 1998**



1997 Tax Collections in Wyoming:

Excise Taxes	Wholesaling Profits	Total
\$1.1 Million	\$ 4.9 Million	\$6.0 Million

Codes: 1 - 7% surcharge added 2 - 2% Surcharge on liquor and wine sales 3- Sales Taxes Applied 4 - Wholesaling function operated by State for spirits and wine distribution, 17.6% markup to State

Rates shown for: Spirits - over 14% alcohol content in South Dakota, Wine - under 14% alcohol content in MT, NE, and SD

REVENUE ENHANCEMENT OPTIONS (CREG ESTIMATES):

SPIRITS TAX (\$1/GALLON INCREASE)

FY99	FY00	FY01	FY02
\$0.7 MILLION	\$0.7 MILLION	\$0.7 MILLION	\$0.7 MILLION

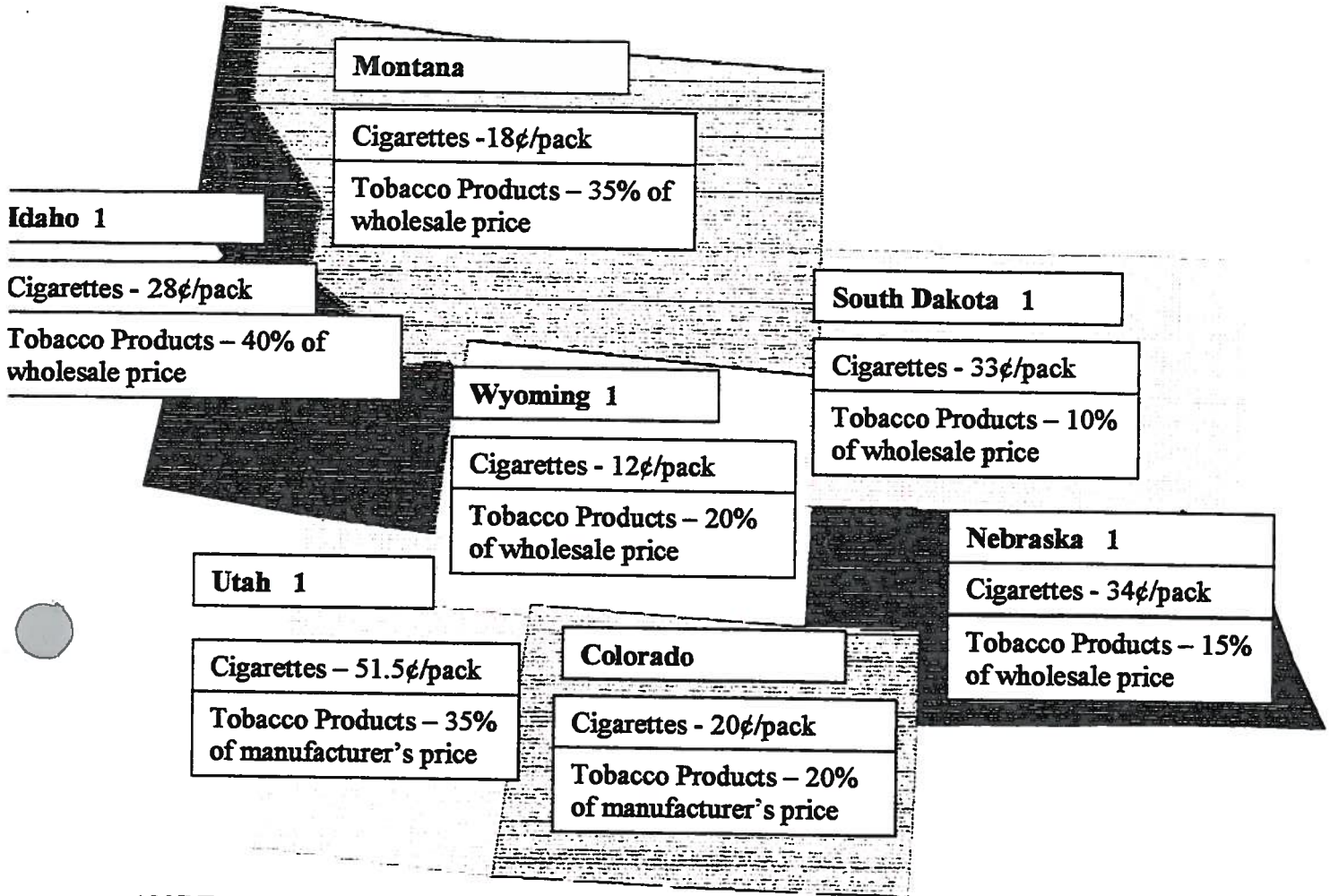
WINE TAX (\$.30/GALLON INCREASE)

FY99	FY00	FY01	FY02
\$0.2 MILLION	\$0.2 MILLION	\$0.2 MILLION	\$0.2 MILLION

BEER TAX (1¢/ GALLON INCREASE)

Increase	FY99	FY00	FY01	FY02
1¢	\$0.1 Million	\$0.1 Million	\$0.1 Million	\$0.1 Million
5¢	\$0.5 Million	\$0.5 Million	\$0.5 Million	\$0.5 Million
10¢	\$1.0 Million	\$1.0 Million	\$1.0 Million	\$1.0 Million
15¢	\$1.5 Million	\$1.5 Million	\$1.5 Million	\$1.5 Million
20¢	\$2.0 Million	\$2.0 Million	\$2.0 Million	\$2.0 Million
25¢	\$2.5 Million	\$2.5 Million	\$2.5 Million	\$2.5 Million

**SURROUNDING STATES
CIGARETTE AND TOBACCO PRODUCTS TAXES
JULY, 1998**



1997 Tax Collections in Wyoming:

Excise Taxes
\$5.8 Million

Codes: 1 - Sales tax added to total price of cigarettes

REVENUE ENHANCEMENT OPTIONS:

CREG ESTIMATES:

Increase	FY99	FY00	FY01	FY02
1¢	\$5.0 Million	\$5.0 Million	\$5.0 Million	\$5.0 Million
2¢	\$1.0 Million	\$1.0 Million	\$1.0 Million	\$1.0 Million
3¢	\$1.5 Million	\$1.5 Million	\$1.5 Million	\$1.5 Million
4¢	\$2.0 Million	\$2.0 Million	\$2.0 Million	\$2.0 Million
5¢	\$2.5 Million	\$2.5 Million	\$2.5 Million	\$2.5 Million
10¢	\$5.0 Million	\$5.0 Million	\$5.0 Million	\$5.0 Million
13¢	\$6.5 Million	\$6.5 Million	\$6.5 Million	\$6.5 Million
20¢	\$10.0 Million	\$10.0 Million	\$10.0 Million	\$10.0 Million
25¢	\$12.5 Million	\$12.5 Million	\$12.5 Million	\$12.5 Million
38¢	\$19.0 Million	\$19.0 Million	\$19.0 Million	\$19.0 Million
50¢	\$25.0 Million	\$25.0 Million	\$25.0 Million	\$25.0 Million

CREG ESTIMATES (STATE SALES TAX APPLIED TO CIGARETTE SALES)

FY99	FY00	FY01	FY02
\$2.6 Million	\$2.7 Million	\$2.9 Million	\$3.0 Million

AMERICAN CANCER SOCIETY ESTIMATES

25¢ per pack increase- allows for sales decrease	\$12.1 Million per year
50¢ per pack increase- allows for sales decrease	\$22.3 Million per year

Information Guide 84-19

This information guide supersedes
Information Guide 83-19.

Nebraska Railroad Excise Tax Return

PURPOSE. This information guide explains the Nebraska Railroad Excise Tax. It is not designed to answer all questions which might arise, but is intended to provide the taxpayer with a general knowledge of the Nebraska railroad excise tax.

NEBRASKA RAILROAD EXCISE TAX. The Nebraska railroad excise tax is levied on all freight transported by railroads in the state of Nebraska. This tax is levied at the rate of seven and five-tenths cents for each train mile operated by a railroad in the state and \$100 for each public grade crossing on the line of the railroad in the state. All revenue derived from this tax will be placed in the Grade Crossing Protection Fund and may be allocated and expended in the same manner as other money in this fund for the purpose of constructing, rehabilitating, relocating, or modifying railroad grade separation facilities.

Definitions:

1. Train miles is defined as each mile traveled by a train in this state regardless of the number of cars in such train.
2. A grade crossing is defined as a place where a railroad track crosses a public road or highway on the same horizontal plane.

WHEN AND WHERE TO FILE. On or before March 1, each railroad must submit to the Nebraska Department of Revenue a Nebraska Railroad Excise Tax Return, Form 34, reporting the total train miles operated within the state during the previous January 1 through December 31 and the number of public grade crossings on its line in the state at the close of the previous year. This form must be completed and mailed to the Nebraska Department of Revenue, Box 94818, Lincoln, Nebraska 68509.

PAYMENT DATE. All taxes are due March 1 of each year. Taxes become delinquent if not paid in quarterly installments on or before April 1, July 1, October 1, and January 1 subsequent to the due date. Advance payments will be accepted.

INTEREST. Interest is due at the statutory rate in effect at the date of delinquency from the delinquent date to the date the tax is paid.

VERIFICATION AND AUDIT. The records required to substantiate this Form 34 must be retained and be available for at least three years following the date of filing Form 34.

AUTHORIZED SIGNATURE. Form 34 must be signed by the president, secretary, principal accounting officer, or duly authorized corporate representative or official of the company or corporation operating or controlling any railroad or railroad service in Nebraska.

For additional information please contact the Nebraska Department of Revenue, Property Tax Division, Box 94818, Lincoln, Nebraska 68509. The telephone number of the Nebraska Department of Revenue is (402) 471-2971.



**DOCUMENT: 74-1321****HEADING** Chapter 74. Railroads.

CATCHLINE Excise tax on railroad transporting freight; similar appropriation; how used.

LAW 74-1321. All revenue derived from the tax levied pursuant to section 74-1320, together with such other funds as may be appropriated by the state for the same purposes, shall be placed in the Grade Crossing Protection Fund and may be allocated and expended in the same manner as other money in such fund for the purpose of constructing, rehabilitating, relocating, or modifying railroad grade separation facilities.

DOCUMENT: 74-1322**HEADING** Chapter 74. Railroads.

CATCHLINE Failure to file report or pay taxes; violation; penalty.

LAW 74-1322. Failure to file a report required by section 74-1320, filing such report late, failure to pay taxes due, or underpayment of such taxes shall result in a penalty of five percent of the amount due being imposed for each month the report is overdue or the payment is delinquent.

DOCUMENT: 74-1323**HEADING** Chapter 74. Railroads.

CATCHLINE Railroad car; obstructing view at crossing; violation; penalty.

LAW 74-1323. (1) Unless otherwise provided by city or village ordinance, the Public Service Commission, upon complaint or on its own motion, as to the crossing which is the subject of the complaint or motion, may direct that at such crossing any railroad car that is stored or parked on a railroad track which may be obstructing or obscuring the traveling public's view of any oncoming train be stored or parked at a minimum distance from the crossing of such railroad and public road. The minimum distance shall be that deemed by the commission to be reasonable and necessary to provide a sight distance at the crossing adequate to protect the safety of the traveling public, but in no instance shall any person who is authorized to control the movement of such railroad car or cars within such distance be prevented from reasonably conducting his or her business.

(2) Any company, its officers, agents, or employees, or any other person subject to subsection (1) of this section who fails, neglects, or refuses to promptly comply with an order of the commission issued under this section shall be guilty of a Class IV misdemeanor, but shall be fined not more than two hundred dollars for each offense. Each day of such neglect, refusal, or failure shall constitute a separate offense.

DOCUMENT: 74-1324**HEADING** Chapter 74. Railroads.

CATCHLINE Repealed. Laws 1998, LB 899, s. 1.

LAW 74-1324.

DOCUMENT: 74-1325

HEADING Chapter 74. Railroads.
CATCHLINE Repealed. Laws 1998, LB 899, s. 1.
LAW 74-1325.

DOCUMENT: 74-1326

HEADING Chapter 74. Railroads.
CATCHLINE Repealed. Laws 1998, LB 899, s. 1.
LAW 74-1326.

DOCUMENT: 74-1327

HEADING Chapter 74. Railroads.
CATCHLINE Repealed. Laws 1998, LB 899, s. 1.
LAW 74-1327.

DOCUMENT: 74-1328

HEADING Chapter 74. Railroads.
CATCHLINE Repealed. Laws 1998, LB 899, s. 1.
LAW 74-1328.

DOCUMENT: 74-1329

HEADING Chapter 74. Railroads.
CATCHLINE Act, how cited.
LAW 74-1329. Sections 74-1329 to 74-1343 shall be known and may be cited as the Nebraska Highway-Rail Grade Crossing Safety and Consolidation Act.

DOCUMENT: 74-1330

HEADING Chapter 74. Railroads.
CATCHLINE Legislative intent.
LAW 74-1330. The Legislature hereby recognizes that the State of Nebraska leads the nation in the average number of highway-rail grade crossings per mile and that the State of Nebraska is traversed by a rail corridor that leads the nation in density of train traffic, in addition to other rail corridors in the state that also experience high levels of traffic. The Legislature further recognizes that these factors combine to create a serious and growing threat to public safety which must be addressed in a comprehensive manner that reflects the input and interests of local communities, the general motoring public, commercial highway users, and shippers of agricultural and other types of commodities who rely on rail transportation for efficient, timely transport of their goods. It is the intent of the Legislature that any state role regarding highway-rail grade crossings, including public safety, Operation Lifesaver, maintenance, design, consolidation, separation, signalization, improvement, or relocation, be

consolidated under one agency.

DOCUMENT: 74-1319

HEADING Chapter 74. Railroads.

CATCHLINE Abandoned railroad line; removal of grade crossing protection devices.

LAW 74-1319. Whenever a railroad line is abandoned, the Department of Roads may remove grade crossing protection devices therefrom to protect the state's investment therein.

DOCUMENT: 74-1320

HEADING Chapter 74. Railroads.

CATCHLINE Excise tax on railroads transporting freight; rate; collection; report; payment.

LAW 74-1320. (1) There is hereby levied an excise tax on each railroad transporting freight in the State of Nebraska. Such tax shall be levied at the rate of seven and one-half cents for each train mile operated by such railroad in the state and one hundred dollars for each public grade crossing on the line of such railroad in the state. Such tax shall be independent of any assessment of costs for benefits received by the railroad from projects for the construction, rehabilitation, relocation, or modification of railroad grade separation facilities. The Department of Revenue shall collect the tax due pursuant to this section from each railroad transporting freight within the state.

(2) On each March 1, each such railroad shall submit to the Department of Revenue a report of its total train miles operated within the state during the previous January 1 through December 31 and the number of public grade crossings on its line in the state at the close of the previous year. All taxes shall be due on the date of reporting and shall be delinquent if not paid on a quarterly basis on April 1 and each quarter thereafter. Delinquent quarterly payments shall draw interest at the rate provided for in section 45-104.02, as such rate may from time to time be adjusted.

(3) As used in this section, train mile shall mean each mile traveled by a train in this state regardless of the number of cars in such train.



Nebraska Railroad Excise Tax Return

FORM
34

Name of Railroad _____

Street or Other Mailing Address _____

City _____ State _____ Zip Code _____

Nebraska Identification Number **34** - Federal Identification Number _____ Tax Year _____ Quarterly Payment

April 1 July 1 October 1 January 1 Payment In Full

1 TAX DUE for the year ended December 31 (line 11 of Excise Tax Schedule I)	1	\$
2 TAX PAYMENTS made to date	2	
3 TAX PAYMENT being submitted with this return	3	
4 AMOUNT DUE to be paid in future quarters (line 1 minus line 2 plus line 3)	4	\$

(All payments must be accompanied by a copy of Nebraska Railroad Excise Tax Return, Form 34.)

NEBRASKA SCHEDULE I - Computation of Nebraska Railroad Excise Tax
- Must be completed for March 1 filing only

5 Total number of train miles operated in Nebraska during the previous January 1 through December 31	5		
6 Levy rate	6	.075	
7 Train mile tax (line 5 multiplied by line 6)	7		\$
8 Total number of public grade crossings in Nebraska as of December 31 of the previous year	8		
9 Levy rate	9	100.00	\$
10 Grade crossing tax (line 8 multiplied by line 9)	10		\$
11 Total railroad excise TAX DUE (line 7 plus line 10)	11		\$

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is correct and complete.

sign here

Authorized Signature _____

Title _____

Date _____

PERSON TO CONTACT CONCERNING THIS STATEMENT

Name _____	Title _____
Mailing Address _____	Telephone Number () _____ Fax Number () _____

INSTRUCTIONS

WHO MUST FILE. Any railroad transporting freight in the state of Nebraska must file a Nebraska Railroad Excise Tax Return when paying their Nebraska railroad excise tax.

WHEN AND WHERE TO FILE. This report, properly signed, must be filed on or before March 1, of each year with the Nebraska Department of Revenue, P.O. Box 94818, Lincoln, NE 68509-4818.

PAYMENT AND PAYMENT DATE. All taxes, determined pursuant to 74-1320, are due March 1 of each year. Taxes become delinquent if not paid in quarterly installments on or before April 1, July 1, October 1, and January 1, subsequent

to the due date. Advance payments will be accepted. All payments must be accompanied by a copy of Nebraska Railroad Excise Tax Return, Form 34.

INTEREST. Interest is due at the statutory rate in effect at the date of delinquency from the delinquent date to the date the tax is paid.

AUTHORIZED SIGNATURE. This return must be signed by the president, secretary, principal accounting officer, or duly authorized corporate representative or official of the company, or corporation operating or controlling any railroad or railroad service in Nebraska.

Mail this return and payment to: **NEBRASKA DEPARTMENT OF REVENUE, P.O. BOX 94818, LINCOLN, NE 68509-4818**

SERVICES EXEMPT IN WYOMING

	# States Exempting		# States Exempting
Agricultural Services		Services - Business Services	
Soil prep., custom baling, other agricultural services	46	Sales of advertising time or space:	
Veterinary services (both large and small animals)	45	Billboards	46
Horse boarding and training (not race horses)	43	Radio and television, national advertising	47
Pet grooming	34	Radio and television, local advertising	46
Landscaping services (including lawn care)	32	Newspapers	46
Industrial and Mining Services		Magazines	46
Metal, non-metal and coal mining services	44	Advertising agency fees (not ad placement)	39
Typesetting service; platemaking for the print trade	31	Armored car services	36
Construction		Bail bond fees	46
Gross income of construction contractors	39	Check and debt collection	41
Carpentry, painting, plumbing and similar trades	37	Credit information, credit bureaus	37
Construction service (grading, excavating, etc.)	39	Employment agencies	40
Water well drilling	40	Interior design and decorating	41
Transportation Services		Maintenance and janitorial services	33
Intrastate courier service	44	Lobbying and consulting	43
Interstate air courier (billed in-state)	49	Marketing	44
Storage		Packing and crating	42
Automotive storage	32	Exterminating (includes termite services)	33
Food storage	40	Private investigation (detective) services	37
Fur storage	35	Process server fees	44
Household goods storage	38	Public relations, management consulting	43
Mini-storage	41	Secretarial and court reporting services	41
Cold storage	37	Security services	36
Marine towing service (incl. tugboats)	43	Sign construction and installation	28
Travel agent services	47	Telemarketing services on contract	44
Packing and crating	41	Telephone answering service	32
Utility Service - Industrial Use		Temporary help agencies	40
Interstate telephone and telegraph	30	Test laboratories (excluding medical)	42
Sewer and refuse, industrial	37	Window cleaning	34
Utility Service - Residential Use		Computer	
Interstate telephone and telegraph	31	Software - custom programs - professional serv.	35
Water	(a) 37	Information services	37
Sewer and refuse, residential	39	Data processing services	40
Finance, Insurance and Real Estate		Mainframe computer access and processing serv.	40
Service charges of banking institutions	47	Automotive Services	
Insurance services	44	Parking lots and garages	31
Investment counseling	44	Admissions and Amusements	
Loan broker fees	46	Billiard parlors	22
Property sales agents (real estate or personal)	45	Bowling alleys	22
Real estate management fees (rental agents)	44	Cable TV services	27
Real estate title abstract services	44	Coin-operated video games	31
Ticker tape reporting (financial reporting)	42	Membership fees in private clubs	28
Services - Personal Services		Pinball and other mechanical amusements	29
Barber shops and beauty parlors	44	Rental of films and tapes by theaters	(e) 42
Carpet and upholstery cleaning	(b) 35	Professional Services	
Dating services	40	Accounting and bookkeeping	45
Debt counseling	43	Attorneys	45
Income from funeral services	(c) 36	Dentists	46
Fishing and hunting guide services	40	Engineers	45
Health clubs, tanning parlors, reducing salons	30	Land surveying	43
Massage services	40	Medical test laboratories	46
900 Number services	(d) 26	Nursing services out-of-hospital	46
Personal instruction (dance, golf, tennis, etc.)	43	Physicians	46
Swimming pool cleaning and maintenance	34	Fabrication, Installation and Repair Services	
Tax return preparation	44	Labor charges on repairs to railroad rolling stock	37
Water softening and conditioning	36	Labor - repairs or remodeling of real property	(f) 37
		Service contracts sold at the time of sale of TPP	22

Wyoming Notes:

- (a) Water sold in bottles is taxable.
- (b) Taxable if performed on tangible personal property
- (c) Tangible personal property sold is taxed. If funeral director charges fee w/o listing TPP separately, tax is computed on total charge made for the service

- (d) Intrastate telephone service taxable.
- (e) Taxable only if no admission is charged.
- (f) Contractor is deemed retail consumer of materials used

NUMBER OF SERVICES TAXED BY CATEGORY AND STATE

Service Category:	Utilities	Personal Services	Business Services	Computer Services	Professional Services	Fabrication, Repair & Installation	Admission/ Amusement	- Other Services	Total	Rank
Total In Category:	16	20	34	6	8	19	14	47	164	
Hawaii	16	20	34	6	8	18	13	42	157	1
Washington	16	20	34	6	8	15	10	43	152	2
New Mexico	16	20	32	6	8	18	13	39	152	
Delaware	9	20	33	6	8	19	10	37	142	4
South Dakota	12	19	28	6	4	18	12	42	141	5
West Virginia	10	17	26	4	1	13	13	26	110	6
Iowa	13	15	18	0	0	14	13	21	94	7
Connecticut	10	11	20	6	0	14	13	13	87	8
Texas	12	11	14	6	1	11	10	13	78	9
Kansas	10	10	9	2	0	16	13	16	76	10
New York	9	5	15	4	0	16	7	18	74	11
Tennessee	11	11	6	3	0	14	12	14	71	12
Mississippi	8	4	8	3	0	14	10	23	70	13
Wisconsin	11	11	6	1	0	14	13	13	69	14
Arkansas	14	6	11	1	0	11	11	11	65	15
Florida	7	4	8	2	0	16	13	14	64	16
WYOMING	11	7	6	2	0	16	7	14	63	17
Pennsylvania	8	6	17	6	0	15	1	8	61	18
Minnesota	15	6	11	2	0	4	13	10	61	
Louisiana	12	9	5	3	0	13	8	8	58	20
Arizona	12	2	5	1	0	2	11	24	57	21
Utah	7	8	6	0	0	15	9	9	54	22
Ohio	8	7	14	3	0	12	2	6	52	23
New Jersey	6	2	10	0	0	14	6	12	50	24
Nebraska	14	6	6	3	0	5	11	4	49	25
Maryland	5	3	13	1	0	4	11	2	39	26
Georgia	10	3	3	2	0	2	8	6	34	27
South Carolina	4	5	6	4	0	1	9	3	32	28
Alabama	9	2	6	1	0	1	10	3	32	
Oklahoma	8	1	4	2	0	0	11	6	32	
Idaho	0	3	4	0	0	6	11	5	29	31
Michigan	12	4	7	1	0	2	1	2	29	
Rhode Island	10	1	6	3	0	3	3	2	28	33
North Carolina	10	4	4	1	0	1	7	1	28	
Missouri	8	1	2	1	0	0	11	5	28	
Maine	9	1	6	3	0	4	2	2	27	36
Kentucky	10	2	4	0	0	3	6	1	26	37
North Dakota	6	1	4	0	0	1	11	2	25	38
Vermont	3	2	4	1	0	2	10	1	23	39
Indiana	8	4	2	2	0	0	2	4	22	40
Massachusetts	9	1	4	0	0	2	1	3	20	41
Montana	12	0	0	0	0	0	3	4	19	42
Virginia	1	3	4	0	0	4	1	5	18	43
Illinois	12	1	1	1	0	1	0	1	17	44
Colorado	4	0	2	1	0	3	2	2	14	45
California	5	2	3	0	0	0	0	3	13	46
New Hampshire	8	1	0	0	0	0	0	2	11	47
Nevada	0	1	4	0	0	2	1	3	11	
Alaska	0	0	0	0	0	0	0	1	1	49
Oregon	0	0	0	0	0	0	0	0	0	50

Source: Federation of Tax Administrators

Quantification of Wyoming Sales Tax Exemptions

Prepared for the

Tax Reform 2000 Committee

Prepared by

Pickton and Associates

July 28, 1998

1. Introduction

This report details the potential Wyoming sales tax revenues generated by removing sales tax exemptions on professional services. Section 2 contains a discussion of data sources, their limitations, and the data collection methodology chosen for this analysis. The level of service industry detail used for this study leads to both a "high" and a "low" estimate for the potential sales tax revenues. The two estimates are discussed in section 3 in addition to listing the service sectors that were not included in this study. Section 4 discusses the price versus quantity changes in the service industry and the resulting implications for tax policy.

Three tables follow the discussion of data. Tables 1 and 2 list the "high" and "low" estimates of sales tax revenues, respectively, by 13 service industry categories. The tables include estimates of Wyoming industry output and value added, and potential sales tax revenues generated by both Wyoming and non-Wyoming firms. Table 3 is a detailed industry breakdown of tables 1 and 2.

2. Data Sources and Methods

Sales tax revenue possibilities would ideally be found by multiplying together actual sales and the tax rate. Unfortunately, data on actual sales of professional services is very limited. The 1992 economic census provides information on gross receipts of certain industries. However, in order not to provide information that would identify specific firms within an industry ("non-disclosure" agreements), the level of detail is not sufficient to separate out service sectors.

The Minnesota IMPLAN Group (MIG), a well-recognized economic data provider, uses a proprietary procedure to circumvent the "non-disclosure" problems inherent in the 1992 economic census. Their procedure divides the economy into 528 sectors, estimates the employment for each sector, and uses the average national output per worker in that sector to estimate Wyoming industry output and value added. Proprietary software from the Regional Research Institute can then be used to separate each of the 528 sectors into four-digit SIC code industry detail. This level of detail allows most of the output of Wyoming's tax-exempt service sectors to be identified.

Further, MIG provides information on the percentage of Wyoming resident's demand for each service that is fulfilled by out-of-state companies. This information, combined with the output of Wyoming firms, should approximate the sales of services in Wyoming. Differences would arise if in-state firms provide services out-of-state, or if the Wyoming average output per employee for an industry differs significantly from the national average output per employee.

The construction and landscaping sectors must be treated in an alternate manner. These industries currently pay taxes on materials used on real property. Therefore, treating value added, not total industry output, as the tax base will accurately reflect the additional sales taxes created by removing these sectors' exemptions. Tables 1 through 3 reflect this tax base method. An additional problem arises because all services provided by out-of-state firms are treated as occurring in-state. This is certainly a reasonable assumption for construction services, though this method will overstate the tax base for services such as health, where significant purchases are made out-of-state. Tables 1 through 3 separate in-state and out-of-state taxes so this problem may be addressed apart from this study.

3. "High" vs. "Low" Estimates and Excluded Sectors

The estimation of additional tax revenues is also problematic because 13 industries contain a mix of exempt and non-exempt services. For example, both inter- and intra-state telephone communications are combined in SIC code 4813, though only inter-state telephone communications are currently exempt from sales taxes. The solution used here is to treat the 13 industries as completely exempt in table 1 and non-exempt in table 2. Table 3 lists these industries with a "***" by their SIC code for identification. The sectors and their related problems are:

- a. SIC 4780 – Miscellaneous Transportation Services – contains both intra- and inter-state transportation services, only intra-state services are taxable.
- b. SIC 4221-26 – Warehousing and Storage – renting real property is currently exempt, renting tangible personal property is taxable.
- c. SIC 4813, 4820, and 4890 – Communications Services – contains both intra- and inter-state communications services, only intra-state services are taxable.
- d. SIC 7342 – Disinfecting and Pest Control Services – exempt if performed on real property, taxable if performed on tangible personal property.
- e. SIC 7371 – Computer Programming Services – exempt if developing custom software, taxable if altering existing software.
- f. SIC 7382 – Security Systems Services – exempt if installed in real property, taxable if installed in tangible personal property.
- g. SIC 7999 – Miscellaneous Amusement and Recreation Services – contains some tax exempt sectors such as hunting and fishing guide services, and other taxable sectors such as admission to school and college sporting events.

Services and sales of TPP for which estimation is not possible using the above techniques are:

- a. Labor charges on repairs to railroad rolling stock.
- b. Sales of power or fuel to a person engaged in the transportation business when the same is consumed directly for actual transportation purposes.
- c. Sales of carbon dioxide or other gases used in tertiary production.
- d. Sales of lodging services provided by a person known to the trade and public as guide or outfitter.

3. Price vs. Quantity Changes

Economic studies repeatedly show that as the price of a service increases, the quantity purchased decreases. For services which consumers deem very necessary, such as health care, the tax base will shrink very little with tax increases. However, most amusement and recreation services are much more sensitive to price movements, causing the tax base to erode when taxes are increased. While tax base changes are not readily computable, it should be recognized that the results in this study will slightly overstate the value of removing exemptions because of changes in purchasing behavior.

Table 1 -- High Estimate of Potential Sales Tax Revenues (in millions of 1998 \$'s)

Sector Description	Wyoming Industry Output	Wyo Ind. Value Added	Wyo firm Tax Potential	non-Wyo firm Tax Potential	Total Tax Potential (4% rate)
Agriculture Services	102.98	70.11	4.064	1.646	5.71
Industrial and Mining Services	164.19	84.21	4.905	8.306	13.21
Construction	1761.47	720.28	28.811	0.508	29.32
Transportation Services	550.59	253.02	22.024	7.658	29.68
Storage	8.48	3.86	0.339	0.000	0.34
Utilities	205.15	151.79	8.206	7.590	15.80
F.I.R.E.	1520.81	838.50	60.832	67.487	128.32
Personal Services	93.80	42.81	3.752	0.824	4.58
Business Services	377.78	190.11	15.111	17.957	33.07
Health Services	752.91	438.81	30.116	16.351	46.47
Legal Services	131.68	101.80	5.267	4.487	9.75
Social Services	167.87	86.83	6.715	0.730	7.45
Engineering and Management Services	388.05	212.03	15.522	10.806	26.33
Total Including Table 3. ** Industries	6225.76	3194.14	205.665	144.351	350.02

Table 2 – Low Estimate of Potential Sales Tax Revenues (in millions of 1998 \$'s)

Sector Description	Wyoming Industry Output	Wyo Ind. Value Added	Wyo firm Tax Potential	non-Wyo firm Tax Potential	Total Tax Potential (4% rate)
Agriculture Services	102.98	70.11	4.064	1.646	5.71
Industrial and Mining Services	164.19	84.21	4.905	8.306	13.21
Construction	1761.47	720.28	28.811	0.508	29.32
Transportation Services	549.82	252.66	21.993	6.146	28.14
Storage	0.00	0.00	0.000	0.000	0.00
Utilities	44.05	31.32	1.762	1.398	3.16
F.I.R.E.	1520.81	838.50	60.832	67.487	128.32
Personal Services	90.24	40.44	3.610	0.793	4.40
Business Services	276.45	130.09	10.956	13.914	24.87
Health Services	752.91	438.81	30.116	16.351	46.47
Legal Services	131.68	101.80	5.267	4.487	9.75
Social Services	167.87	86.83	6.715	0.730	7.45
Engineering and Management Services	388.05	212.03	15.522	10.806	26.33
Total Omitting Table 3. ** Industries	5950.52	3007.07	194.55	132.57	327.13

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Table 3 – Industry Detail of Potential Sales Tax Revenues (in millions of 1998 \$'s)

SIC Code	Industry Description	Wyoming Industry Output	Wyo Ind. Value Added	Wyo firm Tax Potential	non-Wyo firm Tax Potential	Total Tax Potential (4% rate)
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Agriculture Services

0710	Soil preparation services	0.42	0.33	0.017	0.009	0.03
0720	Crop services	2.74	2.17	0.110	0.062	0.17
0740	Veterinary services	53.05	25.05	2.122	1.045	3.17
0750	Livestock services, except veterinary	5.16	4.08	0.207	0.116	0.32
0760	Farm labor and management services	0.00	0.00	0.000	0.000	0.00
0780	Landscape and horticultural services	33.19	31.82	1.273	0.225	1.50
0850	Forestry services	6.25	4.94	0.250	0.141	0.39
0920	Fishing, hunting and trapping services	2.16	1.71	0.087	0.049	0.14
Sub-Total		102.98	70.11	4.064	1.646	5.71

Industrial and Mining Services

1080	Metal mining services	37.30	22.61	1.492	0.000	1.49
1240	Coal mining services	45.44	22.86	1.817	0.426	2.24
1480	Nonmetallic minerals services	1.91	0.91	0.076	2.466	2.54
2710	Newspapers	79.26	37.68	1.507	5.319	6.83
2791	Typesetting	0.29	0.15	0.012	0.094	0.11
Sub-Total		164.19	84.21	4.905	8.306	13.21

Construction

1510	General building contractors	12.34	5.05	0.202	0.004	0.21
1530	Operative builders	603.99	246.98	9.879	0.174	10.05
1710	Plumbing, heating, air-conditioning	240.74	98.44	3.938	0.069	4.01
1720	Painting and paper hanging	46.89	19.17	0.767	0.014	0.78
1730	Electrical work	279.11	114.13	4.565	0.080	4.65
1741	Masonry and other stonework	51.60	21.10	0.844	0.015	0.86
1742	Plastering, drywall, and insulation	76.51	31.29	1.251	0.022	1.27
1743	Terrazzo, tile, marble, mosaic work	4.26	1.74	0.070	0.001	0.07
1751	Carpentry work	50.26	20.55	0.822	0.014	0.84
1752	Floor laying and floor work	7.63	3.12	0.125	0.002	0.13
1760	Roofing, siding, and sheet metal work	84.81	34.68	1.387	0.024	1.41
1770	Concrete work	96.03	39.27	1.571	0.028	1.60
1780	Water well drilling	16.35	6.69	0.267	0.005	0.27
1791	Structural Steel Erection	11.29	4.61	0.185	0.003	0.19
1793	Glass and glazing work	5.07	2.07	0.083	0.001	0.08
1794	Excavation work	53.89	22.04	0.882	0.016	0.90

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SIC Code	Industry Description	Wyoming Industry Output	Wyo Ind. Value Added	Wyo firm Tax Potential	non-Wyo firm Tax Potential	Total Tax Potential (4% rate)
1795	Wrecking and demolition work	5.76	2.35	0.094	0.002	0.10
1799	Special trade contractors	114.93	47.00	1.880	0.033	1.91
Sub-Total		1761.47	720.28	28.811	0.508	29.32

Transportation Services

4215	Courier services, except by air	476.17	217.41	19.047	0.000	19.05
4513	Air courier services	46.67	15.95	1.867	5.600	7.47
4724	Travel agencies	24.00	17.17	0.960	0.411	1.37
4725	Tour operators	2.41	1.72	0.096	0.041	0.14
4729	Passenger transport arrangement	0.54	0.39	0.021	0.009	0.03
4730	Freight transportation arrangement	0.04	0.02	0.002	0.084	0.09
4780**	Miscellaneous transportation services	0.77	0.35	0.031	1.512	1.54
Sub-Total		550.59	253.02	22.024	7.658	29.68

Storage

4221**	Farm product warehousing and storage	0.00	0.00	0.000	0.000	0.00
4222**	Refrigerated warehousing and storage	4.66	2.12	0.186	0.000	0.19
4225**	General warehousing and storage	1.27	0.58	0.051	0.000	0.05
4226**	Special warehousing and storage	2.55	1.16	0.102	0.000	0.10
Sub-Total		8.48	3.86	0.339	0.000	0.34

Utilities

4813**	Interstate telephone communications, ex	159.01	118.91	6.360	6.111	12.47
4820**	Telegraph and other communications	1.45	1.08	0.058	0.056	0.11
4840	Cable TV services	33.70	25.21	1.348	1.295	2.64
4890**	Communication services, misc.	0.64	0.48	0.026	0.025	0.05
4940	Water supply	3.54	2.09	0.141	0.031	0.17
4950	Residential sanitary services	6.81	4.02	0.273	0.072	0.34
Sub-Total		205.15	151.79	8.206	7.590	15.80

F.I.R.E.

6020	Commercial Banks	288.86	223.05	11.555	10.246	21.80
6030	Savings institutions	47.39	36.60	1.895	1.681	3.58
6060	Credit unions	37.21	28.73	1.488	1.320	2.81
6080	Foreign banks	0.00	0.00	0.000	0.000	0.00
6100	Nondepository credit institutions	67.76	15.93	2.710	2.404	5.11
6200	Security and commodity brokers	48.83	40.22	1.953	4.782	6.74
6300	Insurance carriers	177.09	100.95	7.084	23.715	30.80



REAL ESTATE TRANSFER TAX

Background

Unlike property taxes, real estate transfer taxes are state and local taxes that are assessed on real property when ownership of the property is transferred between parties. Although the tax is generally levied on the value of the property, it is assessed on the sales transactions instead of an annual basis like the general property tax. Transfer taxes may be assessed on either the buyer or the seller, but both are usually jointly and severally liable for the tax. Transfer taxes are generally levied on the transfer of all types of real property, including residential, commercial and agricultural property.

As of December 1994, thirty-seven states and numerous local governments levy a transfer tax. Initially, many of these taxes were adopted by states to help cover expenses related to the documentation and recording of the ownership transfer on the deed or title when the property was sold. However, most transfer taxes today are used increasingly to raise revenue to fund other government activities as well.

The transfer tax is used by many states to fund programs designed to preserve rapidly depleting open spaces in commercial or residential areas, and to fund housing programs for low-income residents. Because overbuilding appears to contribute to these problems, earmarking transfer tax revenues for such purposes seems appropriate. However, as source of general fund revenues, the transfer tax is criticized since 1) it is unstable and unpredictable source of revenue, and 2) it is a relatively burdensome tax applied to a narrow tax base. Because the real estate market is very sensitive to economic conditions, as the supply and demand for housing fluctuates, it creates a high degree of volatility in revenues derived from transfer taxes – making it difficult for legislators to provide consistent funding for programs. In addition, because the transfer tax is levied only on buyers and sellers of property, the burden per taxpayer is much greater than the burden from a more broad based tax designed to generate the same amount of revenues.

Types of Property Transfer Taxes

States levy three basic types of property transfer taxes: 1) realty transfer taxes; 2) document recordation taxes or fees; and 3) mortgage taxes. It is rare for states to impose all three, usually combining a transfer tax with a mortgage tax or document recordation tax. Although all three taxes are assessed and collected in a similar manner, the tax base varies. The different types of property transfer taxes used by state and local governments are more fully described below:

Realty Transfer Taxes: -The realty transfer tax is the most common transfer tax imposed by states. Various identified in state statutes as a real property transfer tax, realty transfer tax, real estate sales tax or realty excise tax, it is levied on the sales price or gross receipts from the sale of real property. In several states, however, the tax base is the sales price of the property exclusive of any liens or encumbrances (notably mortgages) that are

attached to the property. The tax rate is usually expressed as a percentage of the sales price, or as a dollar amount per \$1,000 of value. Most states that levy these taxes exempt transfers of property under a certain value, usually \$100.

Document Recordation Fees: - Known also as deed transfer taxes, documentary stamp taxes, and title or deed recordation taxes, these taxes typically must be paid before the transfer of ownership can be properly recorded in the county records office. Usually a stamp must be affixed to the title or deed indicating the tax has been paid usually levied as a percentage of the sales or purchased price, and is expressed in terms of dollars per \$1,000 or value or a percentage of the sales price. Again, some states apply the tax rate to the sales price less the amount of any mortgage or other liens attached to the property. Several states only impose a small fixed dollar amount (usually less than \$10) to cover administrative costs when the deed or title is recorded.

Mortgage Taxes: - Also called mortgage recordation taxes, these are levied on the amount of the mortgage used to purchase real property. Currently, only seven states levy a mortgage tax. The tax rate is typically expressed as a dollar amount per \$1,000 of the mortgage amount, and is levied upon the person who obtains the mortgage.

Exemptions

Most states that levy property transfer taxes grant a number of exemptions to the tax. Many states currently exempt transfer below a certain dollar amount (usually \$100 or \$500), although Connecticut and Tennessee exempt transfer under \$2,000 and Maryland exempts the first \$30,000 of property value. The majority of state exemptions, however, relate either to the type of entity or to the type of transfer involved in the transaction. For example, most states exempt from such a tax transfers between husband and wife and between parents and minor children. Other exemptions include transfers of cemetery plots, transfers to or between governmental entities, transfers conveying gifts or realty, transfers of property conveying realty sold for delinquent taxes and transfers of real property between corporations incident to a merger, consolidation or liquidation.

**State Comparison Chart
Real Estate Transfer and Recordation Tax Rates
As of August 4, 1998**

State	Transfer Tax Rate	Recordation Tax Rate
Alabama	Deeds - 50¢ or fraction of actual property value. Mortgages - 15¢ per \$100 or fraction. Capital stock - 25¢ per \$100 or fraction of par value. Residential property "open end" or revolving indebtedness instruments: - maximum tax is 15¢ per \$100 of fraction of (1) principal, or (2) maximum indebtedness.	NA
Arizona	\$2 per deed or contract.	NA
Arkansas	\$3.30 per \$1,000 or fractional part of the consideration paid in excess of \$100	NA
California	Varies according to county, no state transfer tax. Currently all counties impose a transfer tax. Maximum rate: Deed - 55¢ per \$500 or fraction. (City within a county which has imposed the tax may levy one-half the county rate per \$50 of fraction of the consideration over \$100)	NA
Colorado	1¢ for each \$100 for conveyances exceeding \$500	NA
Connecticut	Residential - less than \$800,000, .61% Residential - greater than \$800,000, .5% on first \$800,000, 1% on portion exceeding \$800,000. Non-residential - 1%	NA
Delaware	2% of value greater than \$100 Improvements to realty - 1% on amounts exceeding \$10,000.	NA
District of Columbia	1.1% of the consideration paid.	1.1% of the consideration paid
Florida	Deed of Trust/Mortgage - 35¢ per \$100 of face value. Deed - 70¢ per \$100 of the consideration	NA
Georgia	\$1 for the first \$1,000 of fraction and 10¢ for each additional \$100 or fraction	NA

State	Transfer Tax Rate	Recordation Tax Rate
Hawaii	10¢ per \$100 of actual and full consideration. Minimum tax, \$1.00	NA
Illinois	50¢ per \$500 or fraction of value	NA
Iowa	80¢ per \$500 or fraction in excess of \$500	NA
Kansas	26¢ per \$100, or major fraction.	NA
Kentucky	50¢ per \$500 of value or fraction	NA
Maine	\$2.20 per \$00 or fractional part.	NA
Maryland	Residential: 55¢ per \$500 Corporate Property: \$1.65 per \$500 County Tax: May not exceed .5% of consideration	NA
Massachusetts	Consideration above \$100 and below \$500 \$2.00. For each additional \$500 or fractional part, \$2.00. In addition, a 14% surtax is imposed	NA
Michigan	55¢ per \$500 value in county population less than 2 million. Maximum 75¢ per \$500 value in county population greater than 2 million.	NA
Minnesota	Deed - \$1.65 for the first \$500 of consideration plus \$1.65 for each \$500 of fraction thereof.	Mortgage - 23¢ per \$100 of mortgage amount.
Nebraska	\$1.75 per \$1,000 of value or fraction thereof.	NA
Nevada	65¢ per \$500 value of fraction thereof Counties may impose a tax up to .1% of deed value	NA
New Hampshire	35¢ per \$100 of consideration, or fraction; minimum tax, \$14.00. NOTE: July 1, 1993 through June 30, 1995 tax 50¢ per \$100, or fraction; minimum tax, \$20.	NA
New Jersey	\$1.75 for each \$500 of consideration or fraction, plus additional 75¢ for each \$500 or fraction in excess of \$150,000.	NA
New York	Real property - \$2 for each \$500 or fraction. Property with value over \$1 million, 1%, New York City imposes a transfer tax of \$1 per \$100 of debt less than \$25,000.	Mortgages - \$1 per \$100 plus an additional 25¢ per \$100 for residential mortgages less than \$500,000.
North Carolina	\$1 per \$500 of fraction, excluding encumbrances	NA
Ohio	No state transfer tax. Counties may levy tax not to exceed 30¢ per \$100 value	NA

State	Transfer Tax Rate	Recordation Tax Rate
Oklahoma	Deed: 75¢ per \$500 value	Mortgage: - over 5 years, 10¢ per \$100; 4 to 5 Years, 8¢/\$100; 3 to 4 years, 6¢/\$100; 2 to 3 years, 4¢/\$100. 2 Years not applicable
Pennsylvania	1% of the value of the property represented by such document. Philadelphia: 3% Pittsburgh: 1.5% of property value, plus and additional .5% for property within a school district.	NA
Rhode Island	\$1.40 per \$500 or fraction	NA
South Carolina	Consideration of \$100 to \$500, \$1.30; each additional \$500, \$1.10 County Realty Transfer Tax - 55¢ per \$500 or fraction for value greater than \$100	NA
South Dakota	50¢ per \$500 of value of fraction thereof.	NA
Tennessee	Deed: 37¢ per \$100, maximum \$100.00	NA
Vermont	1.25% of the value of property transferred (minimum tax, \$1) Principal residence of the transferee, tax is 0.5% of the first \$100,000 in value, and 1.25% of the value over \$100,000.	NA
Virginia	Deed: 50¢ per \$500 or fraction.	Mortgage: 15¢ on \$100 or fraction of
Washington	Excise tax of 1.28% of selling price. cities and counties may impose a tax not to exceed .25% of selling price.	NA
West Virginia	\$1.10 for each \$500 of actual consideration, plus county excise tax at a rate of 55¢ per \$500 of value or fraction.	NA
Wisconsin	30¢ per \$100 of value or fraction thereof.	NA

Each county clerk's office in Wyoming charges recording fees on a per page basis for each deed and mortgage document. The first page of each document is \$6.00, each additional page is \$2.00. Fees are distributed to the general fund of the county where they are collected.

Outline of Provisions House Bill No. HB0155 , Proposed January 1997.

Imposition

The tax would be imposed on the sale price of real property at the option of the individual counties by vote of the electorate in the County. The tax would be paid by the purchaser.

Rate

- (i) Sale Price: \$100,000.00 or less - .25%
- (ii) Sale Price: Greater than \$100,000.00 but less than \$300,000.00 - (i) plus .50% of the sale that exceeds \$100,000.00.
- (iii) Sale Price: Greater than \$300,000.00 but less than \$500,000.00 – (i) plus (ii) plus 1% of the sale that exceeds \$300,000.00
- (iv) Sale Price: Greater than \$500,000.00 – (i) plus (ii) plus (iii) plus 1.5% of the sale that exceeds \$500,000.00
- (v) Agricultural lands are taxed on the difference between the sales value and the production value determined by the local county assessor.

Example – Sale price \$550,000.00

First \$100,000. -	\$ 250.00
Next \$200,000. -	\$ 1,000.00
Next \$200,000. -	\$ 2,000.00
Next \$ 50,000. -	\$ <u>750.00</u>
 Total \$ 550,000.	 \$ 4,000.00

Use of Tax Money

Retained by the county for lawful purpose as stated on the ballot. Priority is given to economic impact of growth. Proceeds can also be used for match funds for federal, state or private source grants. An incorporated city or town may petition the County commissioners for use of the funds for purposes within the scope of the law within city limits.

Exemptions:

1. Mergers, consolidations, reorganization of business entities
2. A gift of more than ½ of the actual value.
3. Transfers between spouses and parents and children.
4. Sales for taxes or assessments, or prior to foreclosure on property
5. Transfer of property in essence to the same party.
6. Transfer from a subsidiary corporation to its parent.
7. Transfer of property exempt from property taxes
8. Extraction of minerals
9. Transfer of state assessed property: pipelines, utilities, railroads

Document 111

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July 1, 1998

Irene E. Archibald, Executive Director
Tax Reform 2000 Committee
P.O. Box 472
Encampment, WY 82325

Re: Tax Questions

Dear Ms. Archibald:

As noted in your letter of June 8, 1998, Representative John Hines, Chairman of the House Revenue Committee and of the Tax Reform 2000 Committee, has asked that we answer the following four questions regarding Article 15, Section 18 of the Wyoming Constitution, which states:

No tax shall be imposed upon income without allowing full credit against such tax liability for all sales, use, and ad valorem taxes paid in the taxable year by the same taxpayer to any taxing authority in Wyoming.

Question 1: Would the credit for sales, use, and ad valorem tax be deducted from the tax liability which is based upon income or would the credit for other taxes paid be deducted from income and then the income tax rate applied?

Answer: As you are aware, Wyoming has never had a state income tax. As such, Article 15, Section 18 has not been subject to judicial interpretation. Nevertheless, it appears that such tax credits should be used to reduce taxpayers' income tax liabilities as opposed to their taxable incomes.

The key to answering your question lays in understanding what is meant by the terms "credit" and "tax liability". As you are aware, these terms are not

Irene E. Archibald

July 1, 1998

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defined in the Wyoming Constitution. Consequently, we refer to outside sources to ascertain the plain and ordinary meaning of these terms. *E.g.*, *The Management Council of the Wyoming Legislature v. Jim Geringer*, Slip Op. No. 97-307, p. 7 (Feb. 11, 1998).

Black's Law Dictionary defines "tax credit" as:

An amount subtracted from an individual's or entity's tax liability to arrive at the total tax liability. A credit reduces the taxpayer's liability dollar for dollar, compared to deductions which reduces taxable income - upon which the tax liability is calculated. A credit differs from a deduction to the extent that the former is subtracted from the tax while the latter is subtracted from the income before the tax is computed. (Emphasis added).

BLACK'S LAW DICTIONARY 1461 (6th ed. 1990).

This same authority defines "tax liability" as:

The amount which a taxpayer owes under the tax law after properly computing gross income and deductions, using the appropriate tax rate and subtracting any applicable tax credits. (Emphasis added).

Id. at 1462.

Reading these definitions together it is reasonable to conclude that Article 15, Section 18 requires that sales, use, and ad valorem tax credits be used to reduce taxpayers' income tax liabilities as opposed to their taxable incomes. Thus, the tax credits would operate to relieve taxpayers from directly paying all or a portion of their respective income tax liabilities.

Question 2: Would the definition of sales and use tax include excise taxes paid on gasoline, special fuels, cigarettes and liquor sales?

Answer: It is our opinion that it would not.

It is a maxim of constitutional and statutory interpretation that courts will not stretch, expand, or extend a constitutional or statutory provision to matters not falling within its express provisions. *E.g.*, *City of Cheyenne v. Huitt*, 844 P.2d 1102, 1104 (Wyo. 1993). Thus, when a constitutional or statutory provision enumerates the subjects or things on which it is to operate, or the persons affected, or forbids certain things, it is to be construed as excluding from its effect those not expressly mentioned under the rule of *expressio unius est exclusio alterius*. *Id.*

It is apparent from reviewing Titles 12 and 39 of the Wyoming Statutes that liquor, gasoline, special fuels, and cigarette taxes are separate and distinct taxes from sales and use taxes. As such, under the rule of *expressio unius est exclusio alterius*, these taxes should be excluded from the effect of Article 15, Section 18.

Question 3: Would federal income tax paid have to be deducted?

Answer: For the same reason as discussed in the answer to question number two, it is our opinion that it would not.

Question 4: Would this section apply for an income tax on individuals as well as corporations?

Answer: Because Article 15, Section 18 does not exclude any class of taxpayers from its purview, it is our opinion that it applies equally to individuals and corporations.

Not Applicable to this topic
~~Representative Hines and the Tax Reform 2000 Committee have also asked whether it would be permissible under the Wyoming Constitution for the legislature to enact a law similar to Article 8, Section 2(b)(v)¹ of the Pennsylvania~~

¹ Article 8, Section 2 of the Pennsylvania Constitution states in relevant part:

(b) The General Assembly may, by law:

(v) Establish standards and qualifications by which local taxing authorities in counties of the first and second class may make uniform special real property tax provisions applicable to taxpayers who are

Constitution, that would allow property tax relief measures to be granted at the option of county governing boards? It is our opinion that such legislation would not be permissible under Article 15, Section 11 of the Wyoming Constitution.

As you are aware, Article 15, Section 11 of the Wyoming Constitution states in relevant part:

(a) All property, except as in this constitution otherwise provided, shall be uniformly valued at its full value as defined by the legislature, in three (3) classes as follows:

* * *

(b) The legislature shall prescribe the percentage of value which shall be assessed within each designated class. All taxable property shall be valued at its full value as defined by the legislature except agricultural and grazing lands which shall be valued according to the capacity of the land produce under normal conditions. . . .

(c) The legislature shall not create new classes or subclasses or authorize any property to be assessed at a rate other than the rates set for authorized classes.

(d) All taxation shall be uniform and equal within each class of property. . . . (Emphasis added).

At its most fundamental level, Article 15, Section 11 requires: (1) the legislature to prescribe the percentage of value to be assessed against each class of property; (2) all taxable property within each class to be uniformly and equally valued at its full value; (3) the legislature not authorize any taxable property to be assessed at a rate different than the rates established for each class.

longtime owner-occupants as shall be defined by the General Assembly of residences in areas where real property values have risen markedly as a consequence of refurbishing or renovating of other deteriorating residences or the construction of new residences.


Irene E. Archibald
July 1, 1998
Page 5


It appears the legislation you described in your letter could result in a violation of each of these three mandates. The first mandate would be violated because the legislature would be allowing the county governing boards to reduce the percentage of value to be assessed against each class of property. The second mandate would be violated because the legislature would be facilitating unequal and inconsistent assessments. Finally, the third mandate would be violated because the legislature would in essence be allowing taxable property to be assessed at rates other than authorized for each particular class.


The Pennsylvania legislature is able to delegate property relief measures to its counties because it operates under different constitutional mandates than the Wyoming legislature. In particular, Article 8, Section 2(b)(v) of the Pennsylvania Constitution authorizes the Pennsylvania legislature to delegate property tax relief measures to its counties. Also, Article 8, Section 1 of the Pennsylvania Constitution does not require statewide equalization; it only requires equalization within each taxing unit.

If we can be of further assistance, please let us know.

Sincerely,


William U. Hill
Attorney General


Michael L. Hubbard
Deputy Attorney General


Charles T. Soldmon
Assistant Attorney General

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1996 Income Disbursement in Wyoming

(Data taken from the IRS Federal Statistics of Income)

State Adjusted Gross Income	Under \$20,000.00		20,000 under 30,000		30,000 under 50,000		50,000 under 75,000		75,000 under 100,000		100,000 under 200,000		200,000 or more		Totals
Number of Tax Returns	106,727	30,536	41,574	28,604	8,618	4,986	1,893	4,986	2,229	1,893	4,986	2,229	1,893	222,938	
Percentage of Returns Filed	47.9%	13.7%	18.6%	12.8%	3.9%	2.2%	0.8%	2.2%	1.0%	0.8%	2.2%	1.0%	0.8%		
Reported Adjusted Gross Income	766,961,000	752,807,000	1,632,776,000	1,727,076,000	731,116,000	653,150,000	1,494,290,000	731,116,000	653,150,000	1,494,290,000	731,116,000	653,150,000	1,494,290,000	7,758,176,000	
Percentage of Income	9.9%	9.7%	21.0%	22.3%	9.4%	8.4%	19.3%	9.4%	8.4%	19.3%	9.4%	8.4%	19.3%		

1997 Income Disbursement in Wyoming

(Data taken from the IRS Federal Statistics of Income)

State Adjusted Gross Income	Under \$20,000.00		20,000 under 30,000		30,000 under 50,000		50,000 under 75,000		75,000 under 100,000		100,000 under 200,000		200,000 or more		Totals
Number of Tax Returns	104,998	30,724	41,866	30,547	10,105	6,009	2,346	6,009	2,776	2,346	6,009	2,776	2,346	226,595	
Percentage of Returns Filed	46.3%	13.6%	18.5%	13.5%	4.5%	2.7%	1.0%	2.7%	1.2%	1.0%	2.7%	1.2%	1.0%		
Reported Adjusted Gross Income	772,633,000	759,179,000	1,643,337,000	1,853,299,000	858,653,000	788,036,000	2,030,245,000	858,653,000	788,036,000	2,030,245,000	858,653,000	788,036,000	2,030,245,000	8,705,382,000	
Percentage of Income	8.9%	8.7%	18.9%	21.3%	9.9%	9.1%	23.3%	9.9%	9.1%	23.3%	9.9%	9.1%	23.3%		



Table 2.—Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 1997

[Money amounts are in thousands of dollars]

State and Item	All returns	Size of adjusted gross income							
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Under \$20,000 [1]	\$20,000 under \$30,000	\$30,000 under \$60,000	\$60,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more	
WYOMING									
Number of returns.....	228,595	104,898	30,724	41,868	30,547	10,105	6,009	2,346	
Number of joint returns.....	103,496	18,913	14,219	26,078	26,031	9,122	5,223	1,909	
Number with paid preparer's signature.....	116,489	47,392	16,272	23,621	18,016	6,425	4,619	2,145	
Number of exemptions [3].....	502,376	163,810	71,847	114,263	94,847	32,282	19,772	8,955	
Adjusted gross income (AGI) [4].....	6,705,382	772,833	769,179	1,843,337	1,853,299	859,653	789,036	2,030,245	
Salaries and wages in AGI [5] Number.....	191,489	64,955	26,306	37,278	27,888	8,905	4,731	1,608	
Amount.....	6,466,682	719,940	690,637	1,317,610	1,481,205	623,328	388,789	345,967	
Taxable interest: Number.....	130,279	43,081	16,735	28,033	25,143	9,164	5,802	2,311	
Amount.....	385,947	59,594	27,896	46,495	47,521	28,884	43,178	133,719	
Tax-exempt interest: [6] Number.....	9,834	1,723	892	1,833	1,886	1,112	1,363	1,033	
Amount.....	137,811	7,983	4,841	11,412	12,777	9,278	16,967	72,833	
Dividends: Number.....	86,860	16,193	6,137	11,579	12,905	5,709	4,331	2,008	
Amount.....	308,819	23,987	11,849	25,112	32,544	22,968	40,088	162,272	
Business or profession net income (less loss):									
Number.....	38,704	13,028	5,385	8,688	6,585	2,303	1,853	876	
Amount.....	351,331	23,985	28,385	52,914	54,268	37,597	64,899	89,464	
Number of farm returns.....	10,218	3,962	1,326	2,080	1,505	539	487	287	
Net capital gain (less loss) in AGI: Number.....	51,915	14,735	6,573	10,131	10,378	4,826	4,220	2,051	
Amount.....	1,028,330	40,363	15,871	38,616	54,040	44,223	98,635	734,592	
Taxable Individual Retirement Arrangement distributions: Number.....	11,082	2,969	1,821	2,567	2,016	841	667	211	
Amount.....	106,778	12,868	10,406	18,530	20,725	12,803	19,825	14,619	
Pensions and annuities in AGI: Number.....	35,059	11,113	5,985	7,770	6,298	2,300	1,547	468	
Amount.....	445,341	77,989	63,224	104,378	97,694	42,940	39,427	19,879	
Social Security benefits in AGI: Number.....	15,057	408	2,563	5,200	3,702	1,382	1,241	551	
Amount.....	111,585	1,628	4,762	27,269	37,583	16,813	16,980	7,551	
Total statutory adjustments: Number.....	41,305	12,928	6,162	9,614	6,352	2,514	2,447	1,298	
Amount.....	86,581	11,713	8,875	15,907	14,003	8,440	14,056	13,763	
Self-employed retirement plan payments:									
Number.....	1,851	77	75	282	438	270	462	277	
Amount.....	14,539	138	201	859	1,783	1,782	4,700	5,066	
Total itemized deductions: [7] Number.....	38,115	3,634	3,628	9,914	11,685	5,307	3,477	1,470	
Amount.....	680,363	43,749	38,465	103,638	134,173	71,364	63,693	207,112	

Medical and dental expenses: Number.....	8,593	2,821	1,634	2,637	1,428	388	169	28
Amount.....	49,857	17,688	8,086	11,823	7,143	2,501	1,963	872
Taxes paid: Number.....	37,710	3,064	3,378	9,678	11,672	6,249	3,431	1,440
Amount.....	67,528	3,483	3,188	10,645	16,227	9,442	9,896	34,966
Interest paid: Number.....	33,725	2,319	2,844	6,699	10,821	4,924	3,047	1,171
Amount.....	301,411	16,619	16,787	82,164	74,769	39,461	32,698	70,142
Contributions: Number.....	31,916	2,112	2,629	7,685	10,022	4,816	3,230	1,420
Amount.....	199,369	3,318	4,449	14,808	22,723	13,666	16,808	124,806
Taxable income: Number.....	180,666	59,764	30,111	41,716	30,528	10,101	6,005	2,343
Amount.....	6,208,148	266,482	394,011	1,051,434	1,363,761	674,127	662,723	1,813,637
Total tax credits: [8] Number.....	16,705	2,021	1,984	4,288	3,769	1,488	1,240	945
Amount.....	16,060	429	609	1,615	1,613	763	1,316	8,636
Child care credit: Number.....	10,284	1,108	1,810	3,600	2,822	637	336	71
Amount.....	3,633	337	616	1,212	1,063	324	123	40
Earned income credit: [9] Number.....	33,761	27,233	6,828	-	-	-	-	-
Amount.....	47,737	42,513	6,224	-	-	-	-	-
Excess earned income credit (refundable) [10]:								
Number.....	25,986	23,872	2,114	-	-	-	-	-
Amount.....	37,845	36,280	1,666	-	-	-	-	-
Income tax: [11] Number.....	179,609	56,930	30,028	41,885	30,620	10,101	6,008	2,342
Amount.....	1,376,828	38,180	66,306	163,361	228,823	134,667	163,136	599,453
Total tax liability: [12] Number.....	1,441,733	46,406	30,273	41,748	30,630	10,103	6,007	2,343
Amount.....	59,648	17,462	64,971	176,491	240,867	141,736	163,024	607,233
Tax due at time of filing: [13] Number.....	222,163	7,955	7,444	13,333	11,074	6,162	3,488	1,346
Amount.....	163,396	79,636	21,907	18,649	23,807	19,216	29,609	116,694
Overpayments: [14] Number.....	192,363	75,538	22,604	27,062	16,261	4,238	1,895	378
Amount.....				32,518	30,283	6,965	7,098	16,480

See footnotes in file 97hr2.txt.
SOURCE: IRS, Statistics of Income Bulletin, Spring 1999.

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Table 2. - Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 1986 - Continued
 (Money amounts are in thousands of dollars)

State and item	All returns						Size of adjusted gross income					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Number of returns	222,006	106,771	30,536	41,974	29,804	4,618	4,909	1,659				
Number of joint returns	903,964	21,070	19,068	28,804	24,891	7,889	4,334	1,970				
Number with joint preparer's signature	102,771	14,014	14,019	21,771	15,649	5,269	3,839	1,734				
Number of exemptions [3]	651,924	143,137	68,808	109,784	64,480	20,333	10,354	5,018				
Adjusted gross income (AGI) (4)	7,786,177	164,061	152,007	1,633,778	1,227,078	791,116	653,150	1,464,290				
Salaries and wages in AGI: Number	184,721	88,119	26,251	37,367	26,132	7,674	3,976	1,323				
Amount	3,213,433	170,097	397,422	1,318,501	1,300,960	538,178	382,878	332,328				
Taxable interest: Number	128,949	48,815	17,101	28,736	23,641	7,808	4,765	1,883				
Amount	364,376	64,775	33,434	69,252	69,681	26,001	36,426	68,927				
Tax-exempt interest (5): Number	10,311	2,042	1,670	2,002	2,080	9,072	1,257	866				
Amount	176,148	12,314	9,322	13,491	14,413	7,197	18,028	49,901				
Dividends: Number	56,697	15,928	6,765	11,728	11,922	6,633	3,512	1,601				
Amount	260,199	27,261	12,229	24,647	23,384	18,000	32,467	115,204				
Business or profession net income (less loss): Number	38,007	13,770	5,866	9,063	6,264	1,973	1,623	729				
Amount	330,426	28,405	28,754	63,080	51,191	31,408	64,300	67,809				
Number of farm returns	10,177	4,466	1,349	1,944	1,243	484	403	229				
Net capital gain (less loss) in AGI: Number	48,447	14,464	5,638	9,776	8,468	4,062	3,404	1,668				
Amount	681,079	40,865	14,461	31,951	44,186	34,889	73,725	450,376				
Taxable individual Retirement Arrangements (IRA) (6): Number	10,429	2,122	1,737	2,425	1,814	696	497	157				
Amount	69,709	12,318	6,676	17,246	18,418	10,004	12,574	6,197				
Pensions and annuities in AGI: Number	34,028	11,883	5,981	7,502	5,769	1,955	1,199	371				
Amount	407,340	60,477	67,827	100,398	80,686	33,880	28,178	13,791				
IRA (6): Number	13,568	454	2,441	4,884	3,292	1,078	664	425				
Amount	84,491	1,303	4,421	25,438	32,822	12,666	12,068	4,884				
Total statutory exemptions: Number	40,613	13,360	6,250	9,884	5,660	2,702	2,147	1,100				
Amount	77,883	11,350	6,419	15,486	12,321	7,275	12,889	9,136				

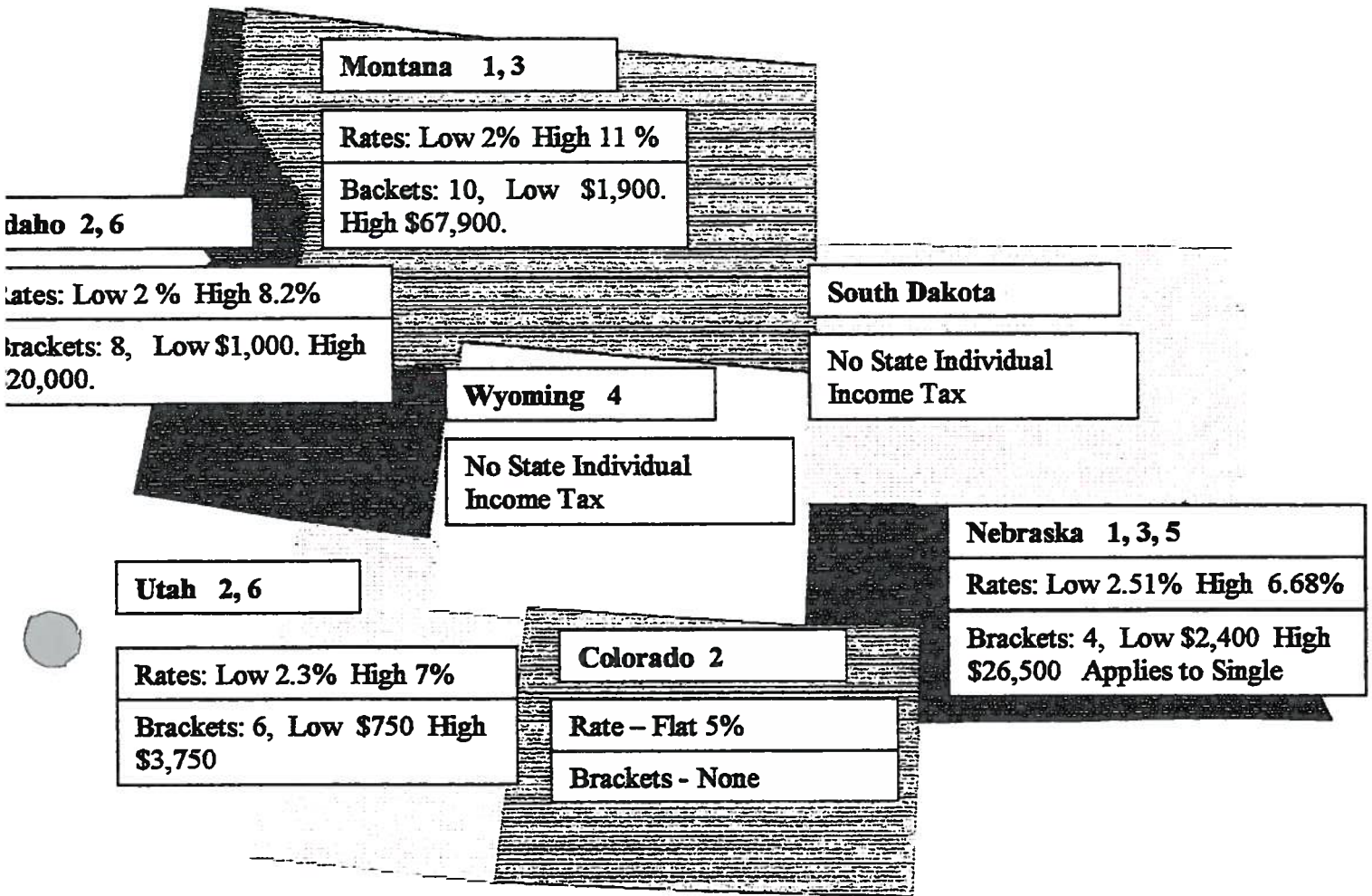
Self-employment retirement plan (9): Number	1,687	76	80	289	322	256	418	207
Amount	12,438	179	200	809	1,540	1,834	4,488	3,975
Total required deductions (7): Number	37,224	2,883	3,673	9,746	11,045	9,701	2,991	1,223
Amount	583,139	62,371	35,836	99,863	127,459	60,908	83,712	183,088
Medical and dental expense: Number	8,467	2,886	1,603	2,401	1,286	310	144	23
Amount	68,959	17,724	9,544	12,480	6,029	2,064	1,582	499
Taxes paid: Number	35,842	3,232	3,467	9,493	10,874	9,663	3,927	1,205
Amount	74,943	4,711	3,184	10,153	14,772	8,746	8,376	25,112
Interest paid: Number	32,122	2,474	3,337	8,583	10,207	4,370	2,679	965
Amount	763,009	17,116	14,788	48,884	69,653	30,815	78,714	51,400
Contributions: Number	30,715	2,309	2,483	7,794	9,871	4,319	2,772	1,180
Amount	178,015	3,473	4,458	15,013	21,413	11,013	13,632	108,700
Taxable expense: Number	175,721	80,176	30,007	41,466	29,591	8,613	4,884	1,995
Amount	5,433,872	288,523	399,429	1,059,792	1,269,850	577,777	960,346	1,322,911
Total tax credits (8): Number	15,416	2,058	2,003	4,448	3,751	1,302	1,063	726
Amount	12,170	493	601	1,528	1,489	760	1,175	8734
Charitable credit: Number	90,397	1,126	1,643	3,680	3,867	767	268	87
Amount	3,665	329	506	1,254	1,043	265	111	29
Earned income credit (9): Number	23,948	27,647	5,902	-	-	-	-	-
Amount	48,003	41,696	4,337	-	-	-	-	-
Excess earned income credit (refundable) (10): Number	28,910	24,086	1,924	-	-	-	-	-
Amount	34,422	26,312	1,211	-	-	-	-	-
Income tax (11): Number	174,941	88,408	79,219	41,409	29,873	8,813	4,004	1,886
Amount	1,285,981	39,229	58,816	165,668	219,000	119,168	131,736	520,951
Federal liability (12): Number	192,183	68,570	30,197	41,449	26,596	8,813	4,088	1,897
Amount	1,313,991	48,840	65,228	177,031	239,072	124,069	140,081	527,139
Tax due at time of filing (13): Number	59,275	17,978	7,887	13,447	19,710	4,283	2,913	1,089
Amount	182,567	9,149	7,310	18,338	22,997	15,365	26,919	63,878
Overpayments (14): Number	190,589	80,381	21,309	78,608	16,788	3,665	1,329	311
Amount	180,844	13,975	21,257	31,488	28,497	7,416	5,097	14,841

See instructions to the tax table.

**State Individual Income Tax Estimates
Using Federal Taxable Income and Federal Adjusted Gross
Income from the 1997 IRS Statistics of Income**



**SURROUNDING STATES
STATE INDIVIDUAL INCOME TAX RATES
JANUARY, 1998**



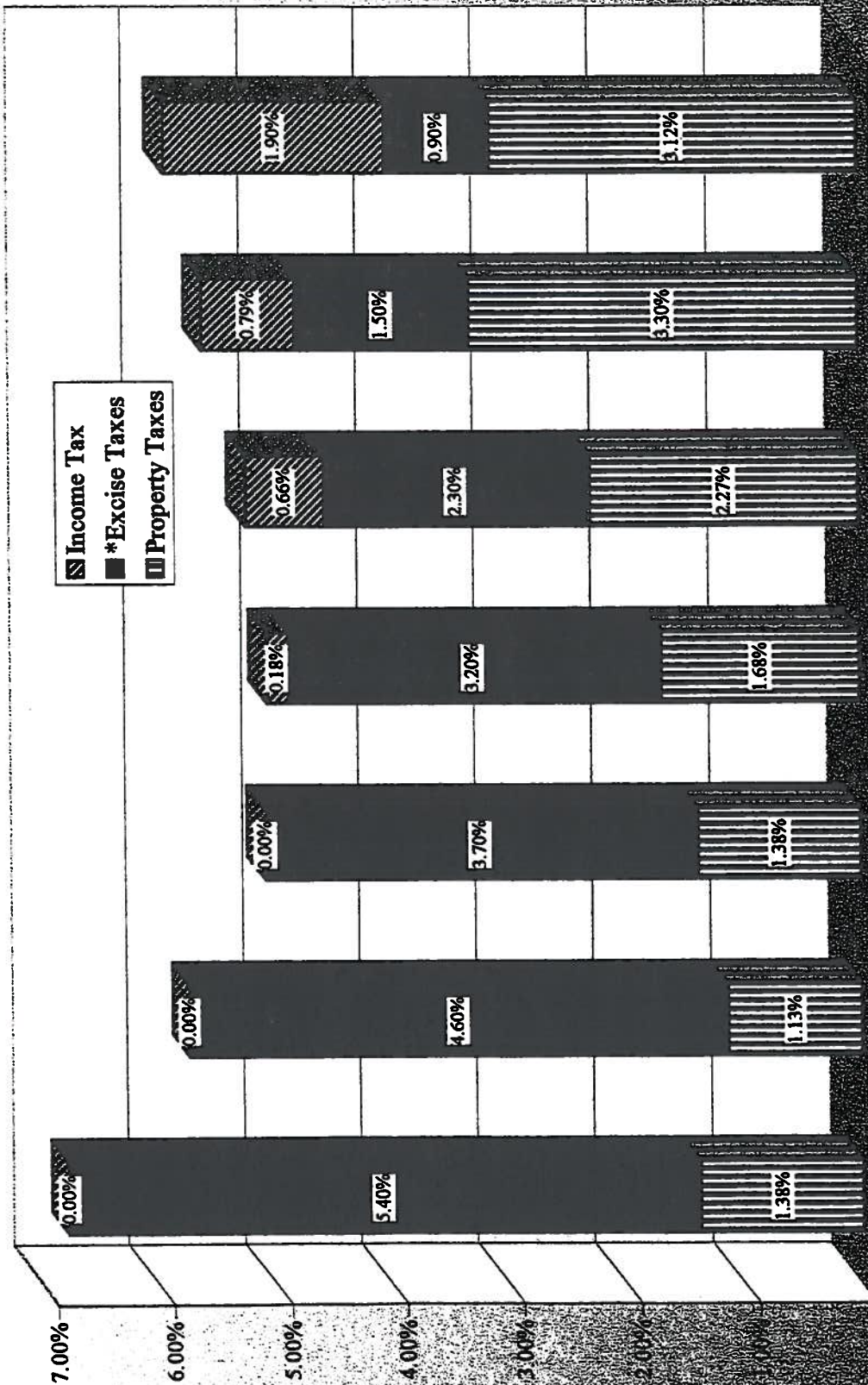
Codes: 1 - Tax is based on federal adjusted gross income as a starting point; 2 - Tax is based on federal taxable income as a starting point; 3 - Tax brackets, personal deductions or standard deductions are indexed to be automatically adjusted to the rate of inflation. 4 - If State Income Tax was to be levied, the State constitution requires that any sales tax or property taxes paid during the tax year be deducted from any income tax due; 5 - Brackets are Low \$4,000 and High \$46,750 for married couples; 6 - For joint returns the tax is twice the tax imposed on half the income.

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Distribution of Tax Burden

Wyoming State and Local Taxes



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**Wyoming Department of Revenue State Individual Income
Tax Estimate Using Federal Adjusted Gross Income
from the 1996 IRS Statistics of Income**

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Revenue Analysis
Wyoming State Income Tax

DEPARTMENT OF REVENUE
and
DEPARTMENT OF ADMINISTRATION AND
INFORMATION

by

**Daniel W. Noble, Administrator
Administrative Services Division**

**David Black, Senior Economist
Economic Analysis Division**



Introduction

The Tax Reform 2000 Committee has asked The Department of Revenue and the Division of Economic Analysis to conduct an Analysis of the Revenue potential of an Income Tax implemented in the State of Wyoming. To conduct this study we enlisted the services of Shelby Gerking, Tax Reform 2000 committee member and Head of the Economics Department of the University of Wyoming, David Black Economist with the Division of Economic Analysis of the State of Wyoming and Dan Noble of The Department of Revenue.

The goal of this group is to provide for the Tax Reform Committee a set of data which would reasonably approximate the revenue which the State could expect to generate from a tax on income. In order to accomplish this goal the group will have to make a number of assumptions as to the structure of the tax, the amount of revenue to be generated, the cost of administration and the accuracy of data provided to the group. The committee asked that we assume a flat tax based on Federal Adjusted Gross Income and to keep the model as simple as possible. With those instructions we present the following preliminary model:

Methodology

The group met to discuss the methodology that should be used in conducting the analysis. We determined that our approach should be to develop our projections from data collected from the Internal Revenue Service, the Bureau of Labor Statistics, Bureau of Economic Analysis and the Wyoming Department of Revenue. These would be used to update the study done by Dr. Gerking in May of 1996. To verify the numbers we would utilize a study conducted by the Institute on Taxation and Economic Policy as well as data collected by the Department of Revenue.

Early in our development of the Analysis we noted that the study conducted by Dr. Gerking would not provide us with the broad range of tax levels which would be necessary to present the revenue potentials we were looking for. Dr. Gerking's study utilized the income brackets presented in the Consumer Expenditure Survey, U.S. Department of Labor, Bureau of Labor Statistics. The brackets in the Consumer Expenditure Survey provide no breakdown of income in excess of \$70,000. The study does however present good data for verification of our presentation.

A source on information which does provide the type of income breakdown which we were looking for is the Statistics of Income (SOI) - Level III provided by the Internal Revenue Service. This report provides actual tax return information on all filers in the State of Wyoming by income category. The report was updated for 1996 to include the latest statistics available from the IRS. We

utilized this report to structure our analysis and was utilized as a definitive source.

A major concern in our development of this analysis was the ability to approximate the sales and property tax credits required by the State Constitution. These credits are to be used against any tax on income. There is currently no definitive source for the amount of sales tax paid by income bracket. Property tax for those filers which file Schedule A is available from the (SOI) Level III report but this does not include those filers which take the standard deduction. It also does not provide a breakdown of the property tax paid by the self employed filers and those with passive income.

To address the sales tax credits we had to look at a number of sources to first calculate the amount of sales tax paid by income bracket but also to validate those numbers. To calculate the number we looked to a study conducted in June of 1996 by the Citizens for Tax Justice and the Institute on Taxation and Economic Policy (ITEP). This study provides a breakdown of sales taxes paid which matches the income brackets in the (SOI) Level III report. To verify these numbers we compared them to Dr. Gerking's study, updated by the Division of Economic Analysis for 1996 numbers and totals provided by the Department of Revenue by Standard Industry Code. The three numbers appeared reasonably close with the numbers from ITEP being the highest.

Property taxes presented a different problem. The study conducted by ITEP included an assumption that half of the property tax paid by owners of rental real estate was paid by the renter with the other half being paid by the property owner. For our purposes this assumption would not provide accurate data. The property tax credit has to be assigned to the taxpayer actually paying the tax.

There is however a definitive source for the total amount of property tax paid by residential, commercial and agricultural property. The Department of Revenue maintains statistics of property valuations for each of these categories as well as the average mills assessed against the property.

We had to assume that the distinction between commercial and industrial property would also be the dividing line between Schedule C filers and Corporate filers. In making this distinction we may have overstated the taxes due by Schedule C filers but there is no further breakdown available.

Assumptions also had to be made to convert the total property tax dollars paid the counties to taxes paid by each income bracket. Total residential property tax dollars paid to the counties were allocated among the different income brackets based on the property taxes reported by filers who itemized taxes on their Federal Income Tax Returns. This information was provided by the (SOI) Level

III report. The county property tax total was multiplied by the proportion of itemized taxes reported in each income bracket by total itemized taxes. Commercial and farm property taxes were handled in the same way.

Since property taxes paid by the self employed receive a deduction for those taxes paid we added the taxes back into Federal Adjusted Gross Income to come up with the State Adjusted Gross Income. By doing so we eliminated the concern the committee had about taxpayers receiving both a deduction from taxable income and a credit against that income.

Tax Structure

The committee had requested that we assume a flat tax structure for our model and to make the tax as simple to administer as possible. The tax is also to generate approximately \$150,000,000 in revenue.

In conducting the research for this analysis an interesting issue was raised. If the income tax structure could be simplified so that only W-2 income was being taxed in the lower income brackets there would be no need to file a tax return as all credits and deductions could be accounted for in the withholding tables. A way to make this happen would be to exempt interest, dividend and capital gain incomes at certain levels. By exempting the first \$2,500 in interest, dividend and capital gains income from tax a majority of the federal filers would not have to file a state tax return. Their employer would simply withhold from their employees checks the tax associated with their income.

To illustrate the impact of that type of exemption on the tax model it was added as a subtraction from Adjusted Gross Income. The impact on the model is approximately \$12,000,000 in tax associated with the exemptions. The potential benefit of such a program would be to make the imposition of an income tax a painless as possible while increasing compliance with the tax law. While taxpayers would be allowed to file a return if they felt they had exceeded their standard deduction on either sales or property tax they would not have to file if they were under those limits.

The other aspect of the tax structure is the imposition of a rate. A flat rate of 7.5% would be imposed based on State Adjusted Gross Income. The nominal rate associated with a 7.5% marginal rate would be from 0% to 3.42% with the average being 2.03% after credits. The following spreadsheet portrays the tax structure based on the assumptions we listed above:

Examples

The following are examples of the type of tax that individual filers could expect to pay under the proposed tax system.

Married joint filer making \$80,000 with an adjusted Gross Income of \$76,000, no business income, taxable interest income of \$2,100 dividend income of \$1,900 and capital gain income of \$4,300.

AGI	\$76,000
Less:	
Interest income exemption	\$ 2,100
Dividend exemption	\$ 2,500
Cap Gain exemption	\$ 4,300
 SAGI from W-2 income	 \$67,700
 Tax on SAGI @ 7.50%	 \$ 5,077
 Tax credit on Sales	 \$ 1,748
Tax credit on Property Tax	<u>\$ 1,725</u>
 Tax due	 \$ 1,604
 Effective tax rate	 2.11%

Single filer with a Federal Adjusted Gross Income of \$40,000, no business income, taxable interest income of \$900.

AGI	\$40,000
Less:	
Interest income exemption	\$ 900
Dividend exemption	0
Cap Gain exemption	\$ 0
 SAGI from W-2 income	 \$39,100
 Tax on SAGI @ 7.50%	 \$ 2,933
 Tax credit on Sales	 \$ 1,480
Tax credit on Property Tax	<u>\$ 552</u>
 Tax due	 \$ 901
 Effective tax rate	 2.25%

The model presented would not only make it easier on the taxpayer to file their returns it would provide an incentive for saving. The taxpayers in the first model had a lower effective tax rate than the filer in the second example because of the lower savings exemption.

Conclusion

While a great deal more work must be done to address the assumptions which had to be made in this analysis, we do know with reasonable confidence the amount of sales and property tax paid by taxpayers in Wyoming. We also know the amount of income reported on Federal Returns in the state. That being said we feel confident that the total tax revenue figure generated by our model of \$153,633,405 is a reasonable number.

One issue which has not been raised by the committee is the impact which an income tax may have on sales tax collection. The requirement for the state to provide a credit for sales taxes paid against the income tax works two ways. If a taxpayer wishes to claim a credit for sales taxes in excess of the standard deduction they would have to prove that the Wyoming sales tax was paid. Any purchases made outside of the state or over the Internet which were not assessed the Wyoming Sales Tax would not be included in the total. The taxpayer would avoid the sales tax but their income tax would be higher.

State Income Tax based on a Flat Rate

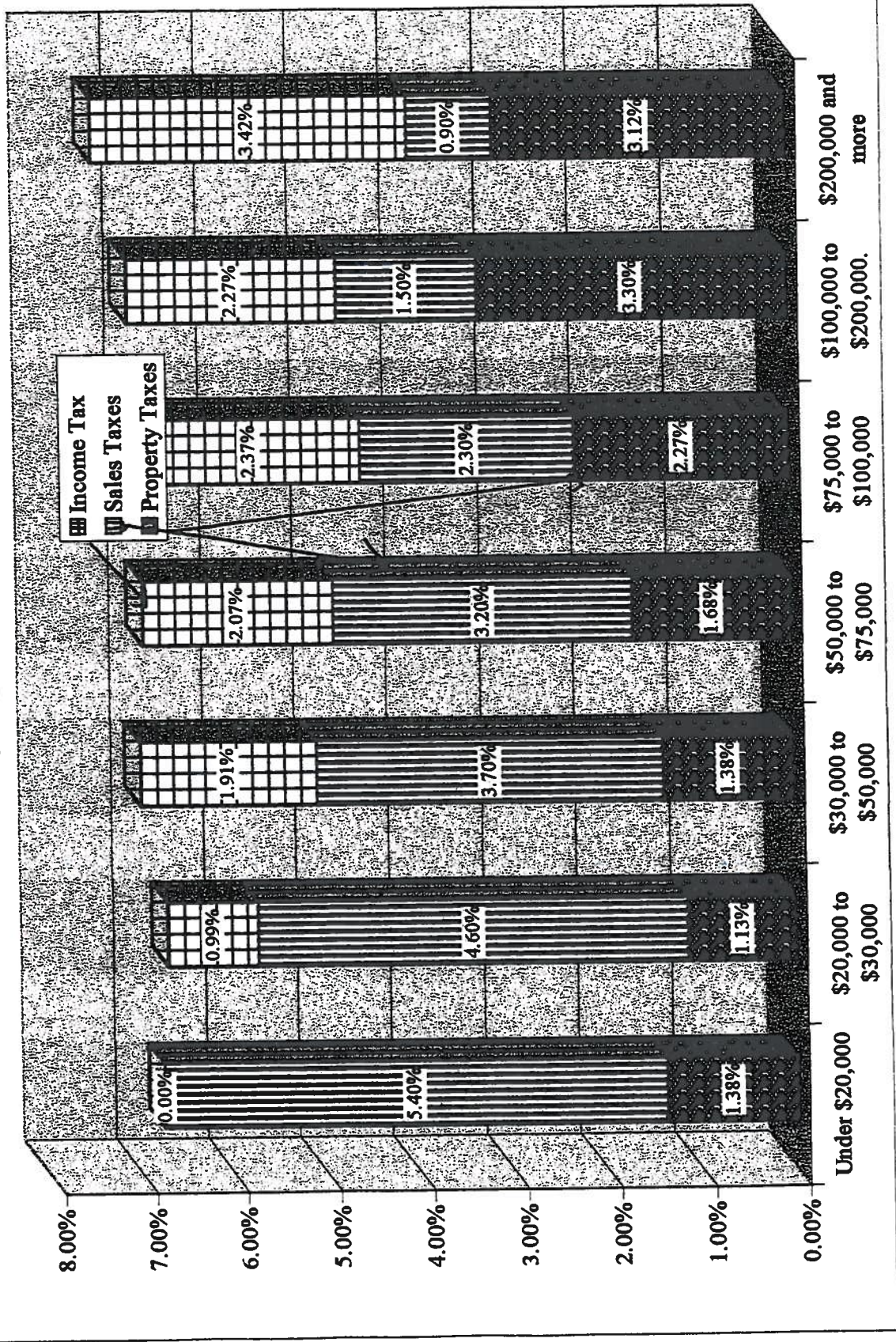
	<i>Under \$20,000</i>	<i>\$20,000 to \$30,000</i>	<i>\$30,000 to \$50,000</i>	<i>\$50,000 to \$75,000</i>	<i>\$75,000 to \$100,000</i>	<i>\$100,000 to \$200,000</i>	<i>\$200,000 to \$500,000</i>	<i>\$500,000 to \$1,000,000</i>	<i>\$1,000,000 to \$2,000,000</i>	<i>\$2,000,000 and more</i>	<i>Totals</i>
AGI Tax before credits	766,961,000	752,807,000	1,632,776,000	1,727,076,000	731,116,000	653,150,000	1,494,290,000	7,758,176,000			
Add:											
Commercial Property Tax	2,898,410	3,006,425	5,962,444	5,746,413	3,532,100	7,226,222	7,633,080	36,005,094			
Farm Property Tax	825,406	856,166	1,697,977	1,636,457	1,005,867	2,057,875	2,173,739	10,253,487			
Subtract:											
Savings Ded. Interest	64,775,000	30,434,000	48,252,000	46,661,000	19,770,000	11,962,500	4,707,500	226,562,000			
Savings Ded. Dividends	27,261,000	12,232,000	24,847,000	29,384,000	12,082,500	8,780,000	4,002,500	118,589,000			
Savings Ded. TE Interest	12,214,000	6,322,000	13,481,000	14,413,000	7,224,000	8,799,000	6,006,000	68,459,000			
Savings Ded. Capital Gains	40,885,000	14,461,000	31,551,000	44,195,000	20,260,000	17,020,000	8,290,000	176,662,000			
State - AGI	625,549,816	693,220,592	1,522,305,421	1,599,805,870	676,317,467	615,872,597	1,481,090,819	7,214,162,581			
Tax Rate	6.00%	7.30%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	
Tax before Credits	37,532,989	50,605,103	114,172,907	119,985,440	50,723,810	46,190,445	111,081,811	530,292,505			
Sales tax credit	41,415,894	34,629,122	60,412,712	55,266,432	16,815,668	9,797,250	13,448,610	231,785,688			
Property tax credit	10,621,600	8,533,876	22,525,583	29,003,931	16,609,089	21,540,761	46,565,897	155,400,737			
Total Tax Credits Allowed	52,037,494	43,162,998	82,938,295	84,270,363	33,424,757	31,338,011	60,014,507	387,186,425			
Tax Due	-	7,442,105	31,234,612	35,715,078	17,299,053	14,852,433	51,067,304	157,610,585			
Actual Tax Rate on Income	0.00%	0.99%	1.91%	2.07%	2.37%	2.27%	3.42%	2.03%			
Percentage of income paid for Sales and Property tax	6.78%	5.73%	5.08%	4.88%	4.57%	4.80%	4.02%				
State taxes as % of income	6.78%	6.72%	6.99%	6.95%	6.94%	7.07%	7.43%				
Less annual cost to administer the tax program											
Cost to administer as a percentage of collections											
Revenue generated from State Income Tax											
											\$ 3,977,180
											2.52%
											\$ 153,633,405

State Income Tax based on a Flat Rate

	Under \$20,000	\$20,000 to \$30,000	\$30,000 to \$50,000	\$50,000 to \$75,000	\$75,000 to \$100,000	\$100,000 to \$200,000	\$200,000 and more	Totals
Adjusted Gross Income	766,961,000	752,807,000	1,632,776,000	1,727,076,000	731,116,000	653,150,000	1,494,290,000	7,758,176,000
# of Returns	106,722	30,535	41,574	28,604	8,618	4,963	1,898	222,914
Average Income	7,187	24,654	39,274	60,379	84,836	131,604	787,297	34,803
Sales Tax Paid by Income Level								
Sales Tax as a % of Income	5.40%	4.60%	3.70%	3.20%	2.30%	1.50%	0.90%	
Ave. Sales Tax Paid by filer	388	1,134	1,453	1,932	1,951	1,974	7,086	
Total Sales Tax Deduction	41,415,894	34,629,122	60,412,712	55,266,432	16,815,668	9,797,250	13,448,610	231,785,688
Property Tax Paid by Income Level								
Ave. Property Tax Paid by filer	100	279	542	1,014	1,927	4,340	24,534	
Total Property Tax Deduction	10,621,600	8,533,876	22,525,563	29,003,931	16,609,089	21,540,761	46,565,897	155,400,737
Property Tax as a % of Income	1.38%	1.13%	1.38%	1.68%	2.27%	3.30%	3.12%	
Average tax credit per filer	488	1,414	1,995	2,946	3,878	6,314	31,620	
Average tax due after credits	-	243.72	751.30	1,248.60	2,007.32	2,992.63	26,905.85	
Property tax analysis								
Taxes reported on Fed Rtn.	4,710,000	3,194,000	10,153,000	14,772,000	8,246,000	8,376,000	25,112,000	74,563,000
% of total taxes paid by Income	6.32%	4.28%	13.62%	19.81%	11.06%	11.23%	33.68%	
Residential Prop. Tax paid	6,897,784	4,671,284	14,865,162	21,621,061	12,071,122	12,256,664	36,759,078	109,142,156
Taxes reported on Fed Rtn.	25,803	26,754	53,050	51,151	31,436	64,303	67,938	320,435
Commercial Prop. Tax	8.05%	8.35%	16.56%	15.96%	9.81%	20.07%	21.20%	
Farm Prop. Tax	2,898,410	3,006,425	5,962,444	5,746,413	3,532,100	7,226,222	7,633,080	36,005,094
	825,406	856,166	1,697,977	1,636,457	1,005,867	2,057,875	2,173,739	10,253,487
Total Property tax paid	10,621,600	8,533,876	22,525,583	29,003,931	16,609,089	21,540,761	46,565,897	155,400,737

Distribution of Tax Burden

Wyoming State and Local Taxes



Temporary Nuclear Fuel Rod Storage



Owl Creek Energy (OCE)

Synopsis:

<u>TAX SOURCE</u>	<u>REVENUE ESTIMATES</u>	<u>REQUIREMENTS</u>	<u>DISTRIBUTION</u>
<u>OCE Storage Benefits</u>	<p>Minimum storage benefit = 10,000 MTU \$100MM one-time collection \$14MM/yr for 10 yrs if invested @ 6% or \$9MM/yr for 20 yrs if invested @ 6%</p> <p>Maximum storage benefit = 40,000 MTU \$400MM, paying over a number of yrs or \$55MM/yr for 10 yrs if invested @ 6% or \$35MM/yr for 20 yrs if invested @ 6%.</p>	<p>To achieve the revenue estimates, no new laws are required. W.S. 35-11-1501 would need revision to accept DOE Viability Assessment report as sufficient, reasonable assurances of Yucca Mountain accepting the fuel for permanent storage.</p>	<p>The current Wyoming statute contemplates the "affected areas" being treated somewhat differently (more beneficially) than further outlying areas. No "table" or formula is established yet.</p>
<u>Sales Tax from OCE Activities</u>	<p>Fabrication of canisters -- 5% = \$4MM/yr Income to population = \$78MM/yr, with 30% spent on taxable goods @ 5% = \$1MM/yr.</p>		
<u>Property Tax</u>	<p>Revenue estimates based on \$85MM facility construction costs, annual property taxes estimated at \$800,000 to \$900,000/yr for life of facility (40 years)</p>		



State Lottery



STATE LOTTERY

Multi- State Lottery Participation – The multi-state lottery commission located in Iowa administers the Power Ball Lottery, Wild Card, and Cash 4 Life multi-state lottery games.

The states that belong to these lottery games are:

Power Ball Lottery (21) – Arizona, Connecticut, Washington DC, Delaware, Indiana, Idaho, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Missouri, Montana, Nebraska New Hampshire, New Mexico, Oregon, Rhode Island, South Dakota, Wisconsin, West Virginia.

Cash 4 Life (11) – Washington DC, Indiana, Iowa, Kansas, Minnesota, Montana, Nebraska, New Hampshire, South Dakota, West Virginia, Wisconsin

Wild Card (4) – Idaho, Montana, Nebraska and South Dakota

In order for Wyoming to become part of these lotteries the following steps must be taken:

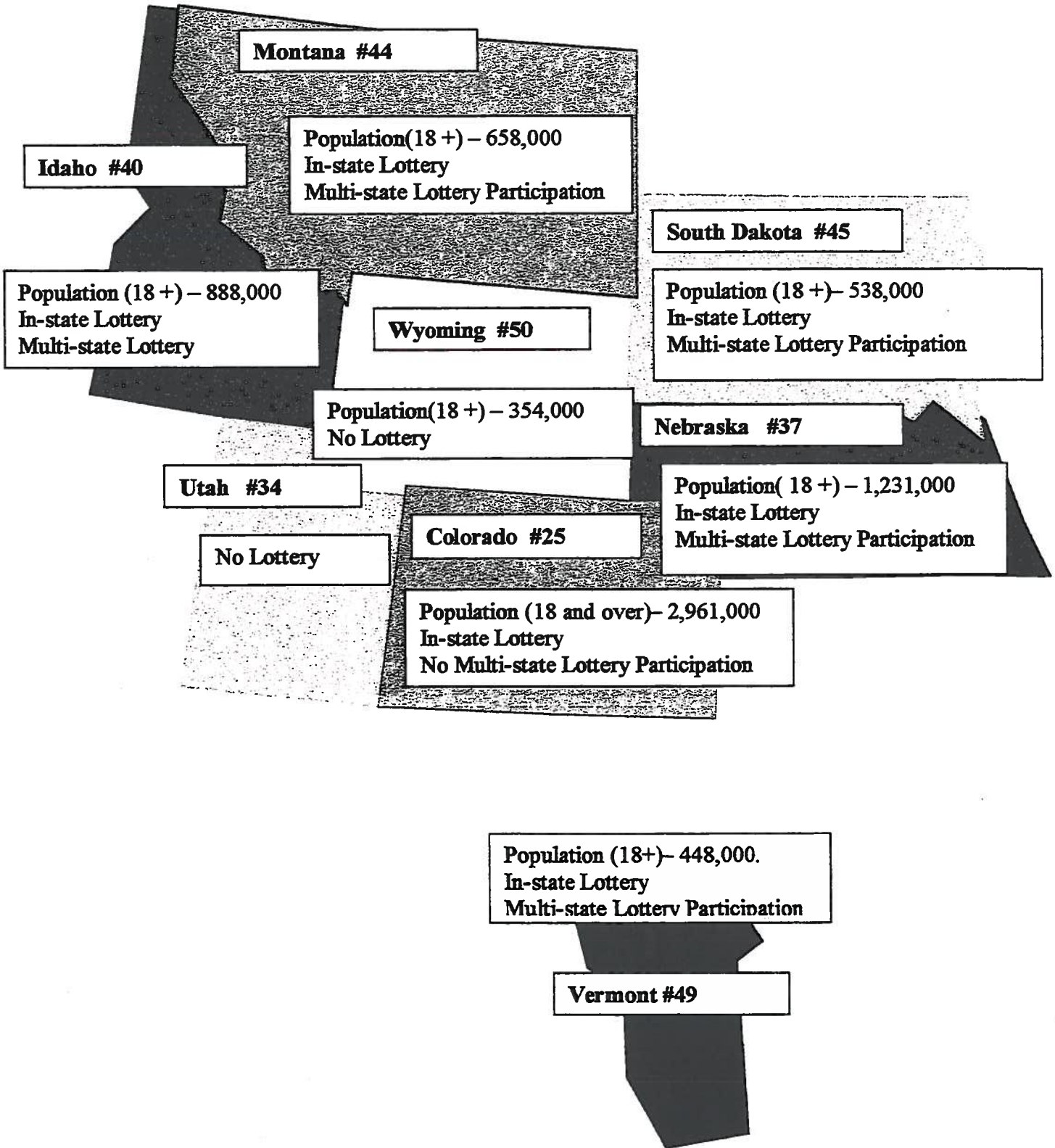
- 1) Pass legislation that would allow for a lottery in Wyoming.
- 2) Wyoming does not have to have its own lottery to participate in the multi-state games. If it does decide to establish its own lottery games it must decide what games will be offered such as scratch games, lotto, pick number games, etc.
- 3) Establish a method of administration for the lottery:
 - a) Wyoming can establish its own administration division
 - b) Wyoming could contract with another state for administration of a Wyoming lottery
- 4) Contract with a vendor for on-line operations and decide how sales cites will be distributed throughout the state. Decide what the sales commissions would be paid to sellers of lottery tickets.
 - a) If Wyoming contracted with another state the vendor and sales commissions would be decided. Distribution of sales cites would still have to be decided.

Revenues and Expenses of a State Lottery:

State lotteries are self supporting. Profits to a state depend on many variables including population, types of games offered, geographic location, attitudes of the state population towards a lottery, marketing, sales and administrative costs and uses of profits.

If Wyoming participated in the multi-state lottery, a percentage of each ticket sale would be kept by the state. This is between 40% to 45%. By participating in the multi-state lottery, Wyoming would guarantee that it would share in the expenses of the Multi-State Lottery Commission. Currently, though the Multi-State Lottery Commission is self-supporting.

State Comparisons



State	Types of Games	1997 Revenues	*Sales Costs %	Administrative Cost %	Total Costs	Profits (%)	Uses of Profits
Vermont- In operation since 1977	Scratch Games, State On Line Games (2), Multi-State Lottery Games (2)	\$77.4 Million	67.9%	1.9%	\$54.4 Million	\$23.4 Million (30.3%)	FY 97/98 State General Fund, FY99 Education
South Dakota -In operation since 1986	Scratch Games, State On Line Games, Multi-State Lottery Games, Video Lottery (Poker on Line)	\$118.9 Million (\$89.3 Video Lottery Sales)	16.9%	2.8%	\$23.1 Million	\$95.8 Million (80%)	State General Fund, Property Tax Reduction, Water and Transportation Projects
Montana -- In operation since 1987	Scratch Games, State On Line Game (1), Multi-State Lottery Games (3)	\$28.5 Million	69%	7.5%	\$21.9 Million	\$6.6 Million (23%)	State General Fund
Idaho -- in operation since 1989	Scratch Games, State One Line Game (1), Multi-State Lottery Games (2), Pull Tabs	\$87.5 Million	71.7%	5.4%	\$68.3 Million	\$ 19.5 Million (22%)	Public Schools
Nebraska In operation since 1992	Scratch Games, State On Line Game(1), Multi State Lottery Games (3)	\$77.7 Million	71.0%	2.2%	\$57.1 Million	\$20.5 Million (26.5%)	Trust Funds for education, environment, gambler assistance.
Colorado -In operation since 1983	Scratch Games, State On Line Games (3)	\$362.7 Million	65%	8.85%	\$268.1 Million	\$94.6 Million (26%)	Capital Construction, Recreation, Trust Fund

* Sales Costs include prizes, on-line vendor commissions, marketing expenses and on-site sales commissions

Wyoming – Lottery Revenue Potential

Assumptions:

- 1) Wyoming administers its own lottery
- 2) Wyoming offers scratch games and on line games

Revenue Ranges:

- 1) Worst Scenario:
 - a) Per Capita Sales (18 and over)
 - (i) Scratch – Montana (\$9.21)
 - (ii) On Line – South Dakota (\$23.33)
 - b) Cost of Sales – Idaho (71.7%)
 - c) Administrative Costs – Colorado(8.85%)

- 2) Average Scenario:
 - a) Per Capita Sales (18 and over) for all States
 - (i) Scratch - \$53.37 (Does not include Idaho Pull Tabs)
 - (ii) On Line - \$37.83 (Does not include South Dakota Video Gambling or Colorado Keno)
 - b) Sales Costs (excluding South Dakota) – 68.9%
 - c) Administrative Costs (Excluding South Dakota)- 5.7%

- 3) Best Scenario:
 - a) Per Capita Sales (18 and over)
 - (i) Scratch – Idaho (\$66.20)
 - (ii) On Line – Colorado (\$42.53)
 - b) Cost of Sales – Colorado (65%)
 - c) Administrative Costs – Vermont (1.9%)

	Worst Scenario	Average Scenario	Best Scenario
Scratch	3,261,869.52	18,964,600.71	23,434,232.32
On line	8,257,527.04	13,390,977.16	15,056,781.59
Total Sales	11,519,396.56	32,355,577.87	38,491,013.91
Sales Costs	8,259,407.33	22,299,464.27	25,019,159.04
Administrative Costs	979,148.71	1,853,974.61	731,329.26
Total Costs	9,238,556.04	24,153,438.88	25,750,488.30
Profit	2,280,840.52	8,202,138.99	12,740,525.61

**Earmarking of State Taxes
and
Federal Mineral Royalties**



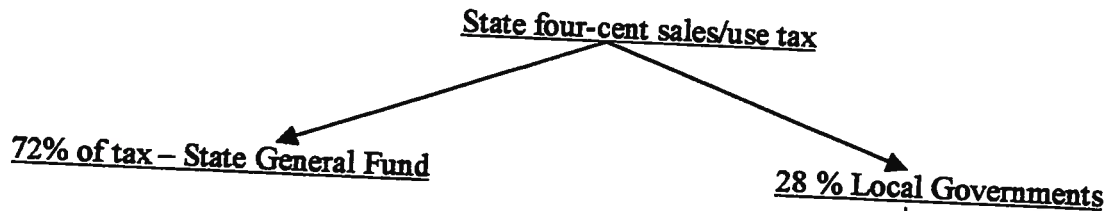
Earmarked Tax and Royalty Revenues

Property Taxes

Property Taxes are generated locally by school districts, county and municipal governments, and special districts and used by these entities to fund public services. Those school districts whose source revenues exceed the required amounts for school funding by the school equalization legislation contribute to the school foundation fund to be shared by those school districts whose source revenues do not provide adequate school funding.

Sales/Use Taxes

State four-cent sales/use tax:



The local government share is returned first to the County where the tax was generated. It is then distributed within the county to the municipal and county governments. It is distributed to cities and towns according to the portion of the population each city and town bears to the total population of the county. The County's share is determined by that portion of the county's population residing outside municipal limits to the total population of the county.

Local option sales taxes and the lodging tax – The taxes are returned to the county where generated minus the State administration fees. The one- percent optional tax is distributed in the same manner as the State four-cent tax. The capital facilities sales tax is distributed by the county treasurer to pay for the projects for which it was voted.

Cigarette Tax:



The amount distributed to local governments is returned to the municipalities or county governments where generated.

State Mineral Severance Tax

Severance Tax Rates:

Coal	Surface coal – (i) 1.5%
	(ii) .5%
	(iii) 2.0%
	(iv) 1.5%
	(v) 1.0%
	(vi) .5% - Total 7%
Underground coal-	(i) 1.5%
	(ii) 1.25%
	(iii) 1.0% - Total 3.75%
Oil and Gas	(i) 1.5%
	(ii) .5%
	(iii) 2.0% (1.0% if oil is \$20.00 or less per barrel between 1/1/99 – 12/31/00)
	(iv) 2.0% (1.0% if oil is \$20.00 or less per barrel between 1/1/99 – 12/31/00)
Total 6% (4% for oil is \$20.00 or less per barrel between 1/1/99- 12/31/00)	
Trona	(i) 2.0%
	(ii) 2.0% - Total 4%
Bentonite	(a) 2.0%
Uranium	(i) 2.0%
	(ii) 2.0%-Total 4%
Sand and Gravel	(a) 2.0%
Other Valuable Deposits	(a) 2.0%

Severance Tax Distributions:

Trona		Bentonite	Uranium (varies with collections)		Sand & Gravel	All Other Deposits
Rate (i)	Rate (ii)	Rate (a)	Rate (i)	Rate (ii)	Rate (a)	Rate (a)
2%	2%	2%	2%	2%	2%	2%
Prior to 6/30/2004 Budget Reserve Account after which the PWMTF	State General Fund	State General Fund	Prior to 6/30/2004 Budget Reserve Account after which the PWMTF	State General Fund	State General Fund	State General Fund

Coal Severance Taxes- Above Ground

Total Tax 7%

Rate(i)	Rate(ii)	Rate(iii)	Rate(iv)	Rate(v)	Rate(vi)
1.5%	.5%	2%	1.5%	1%	.5%
PWMTF	Prior to 6/30/2004 Budget Reserve Account after which the PWMTF	State General Fund	Water Development Fund or State General Fund	(i)1.25% to Capital Const. Account (ii)2.25% to the State-County Road Fund (iii).625% to Counties (iv)Balance to the highway fund	Prior to 6/30/2004 Budget Reserve Account after which the PWMTF

Coal Severance Taxes- Below Ground

Total Tax 3.75%

Rate(i)	Rate(ii)	Rate(iii)
1.5%	1.25%	1%
PWMTF	State General Fund	(i)1.25% to Capital Const. Account (ii)2.25% to the State-County Road Fund (iii).625% to Counties (iv)Balance to the highway fund

Oil and Gas Severance Taxes

Total Tax 6%

Rate(i)	Rate(ii)	Rate(iii)	Rate(iv)
1.5%	.5%	2% (1% oil-see rate)	2% (1% oil-see rate)
PWMTF	Prior to 6/30/2004 Budget Reserve Account after which the PWMTF	State General Fund	(i)3/8 to Cities & Towns (ii)1/8 to Counties (iii)1/3 Distributed as follows: (a)An amount equal to that collected in LUST fuel taxes to LUST accounts. (b)An amount to bring the State Park Road account fund to \$500,000. (c)Balance to the State Highway Fund (iv)1/12 Prior to 6/30/2004 to the Budget Reserve Account after which the PWMTF (v)1/12 to the Water Development Fund

Fuel Tax Distribution

Gasoline Taxes: Distributed in the following order

	Tax Portion	Where Distributed
1.	Deduct from taxes collected, the tax collected on Aircraft Fuels	Distributed to airports where fuel was sold.
2.	Deduct from taxes collected, an amount equal to the number of snowmobiles registered in Wyoming times \$20.00	Distributed to a special revenue fund administered by the Department of Commerce to improve snowmobile trails.
3.	Deduct from taxes collected, an amount equal to the number of motorboats registered in Wyoming times \$10.00	Distributed to a special revenue fund administered by the Department of Commerce to improve watercraft facilities in public parks and recreational facilities.
<p>4. The Remainder</p> <pre> graph TD A[4. The Remainder] --> B[13.5% Counties] A --> C[14% State County Road Account (SCFM)] A --> D[15% Cities and Towns] A --> E[57.5% State Highway Fund] </pre>		

Distribution Formula to Counties:

1/3 of the gasoline taxes going to counties: On the ratio of the area of County / Total area of the State

1/3 of the gasoline taxes going to counties: On the ratio of the County's rural population / Total rural population of State

1/3 of the gasoline taxes going to counties: On the ratio of the County's assessed valuation / Total assessed valuation of State

Distribution Formula to Counties from SCFM account:

1. \$31,250.00 for the county funding share of the University's Technology Transfer Program.

2. Of the remaining balance:

- a. 50% is distributed on the ratio of the Counties rural population including population within the cities and towns with less than 1400 / Total rural population including population within the cities and towns.
- b. 50% is distributed on the ratio of the Counties area / Total State Area

Distribution Formula to Cities/Towns:

1. \$31,250.00 for the city/town funding share of the University's Technology Transfer Program.

2. Of the remaining balance:

- a. 75 % of the funds are returned to the municipality where the taxes were originally collected.
- b. 25 % of the funds are distributed based upon the ratio of town's-city's population / Total municipal population of the State.

Special Fuel Taxes (Diesel):

Special Fuel Taxes: Distributed in the following order

	Tax Portion	Where Distributed
1.	Deduct 2% of the taxes collected	Diesel Fuel Tax Administration.

1. The Remainder

20% - Counties 5% Cities and Towns 73% State Highway Fund

Distribution Formula to Counties:

- 1 1/3 of the gasoline taxes going to counties: On the ratio of the area of County / Total area of the State.
- 2 1/3 of the gasoline taxes going to counties: On the ratio of the County's rural population / Total rural population of State.
- 3 1/3 of the gasoline taxes going to counties: On the ratio of the County's assessed valuation / Total assessed valuation of State.

Distribution Formula to Cities/Towns:

- 1 Funds are distributed based upon the ratio of town's-city's population / Total municipal population of the State.

Liquor, Insurance Premium, Corporation Franchise and Estate Taxes – State General Fund

Federal Mineral Royalties: (See attachments)

Notes to Federal Mineral Royalty Distributions:

First \$200,000. of Mineral Royalties:

1. 2.25% of the Funds distributed to the State Highway Funds must be used for permanent construction or maintenance work in the counties to which the royalties are attributable with priority given to roads and highways impacted by mineral development.
2. The funds distributed to the public school foundation program are first subject to allocations under W.S. 9-4-605 which has to do with bond funding.
3. Funds distributed to the State Highway fund are not distributed until State revenue bonding obligations (including the State Penitentiary Revenue Bonds) are deducted.

4. Funds distributed to the University of Wyoming must be used when authorized by the legislature for the actual and necessary construction of new buildings, repairing of existing buildings, purchasing of real estate or for the payment of principal and interest on securities issued to fund these projects.
5. Funds distributed to cities and towns can be used for planning, construction or maintenance of public buildings or for providing public services. Funds are distributed in the following manner
 - (a) \$ 12,000.00 to any municipality with 325 or less population and \$15,000. to any municipality with more than 325 persons.
 - (b) The remainder is distributed first to counties based upon the ratio of the total average daily membership of all school districts in the county / total average daily membership of the State. It is distributed to the municipalities within the county based upon the population of the municipality / the total population of municipalities within the county.

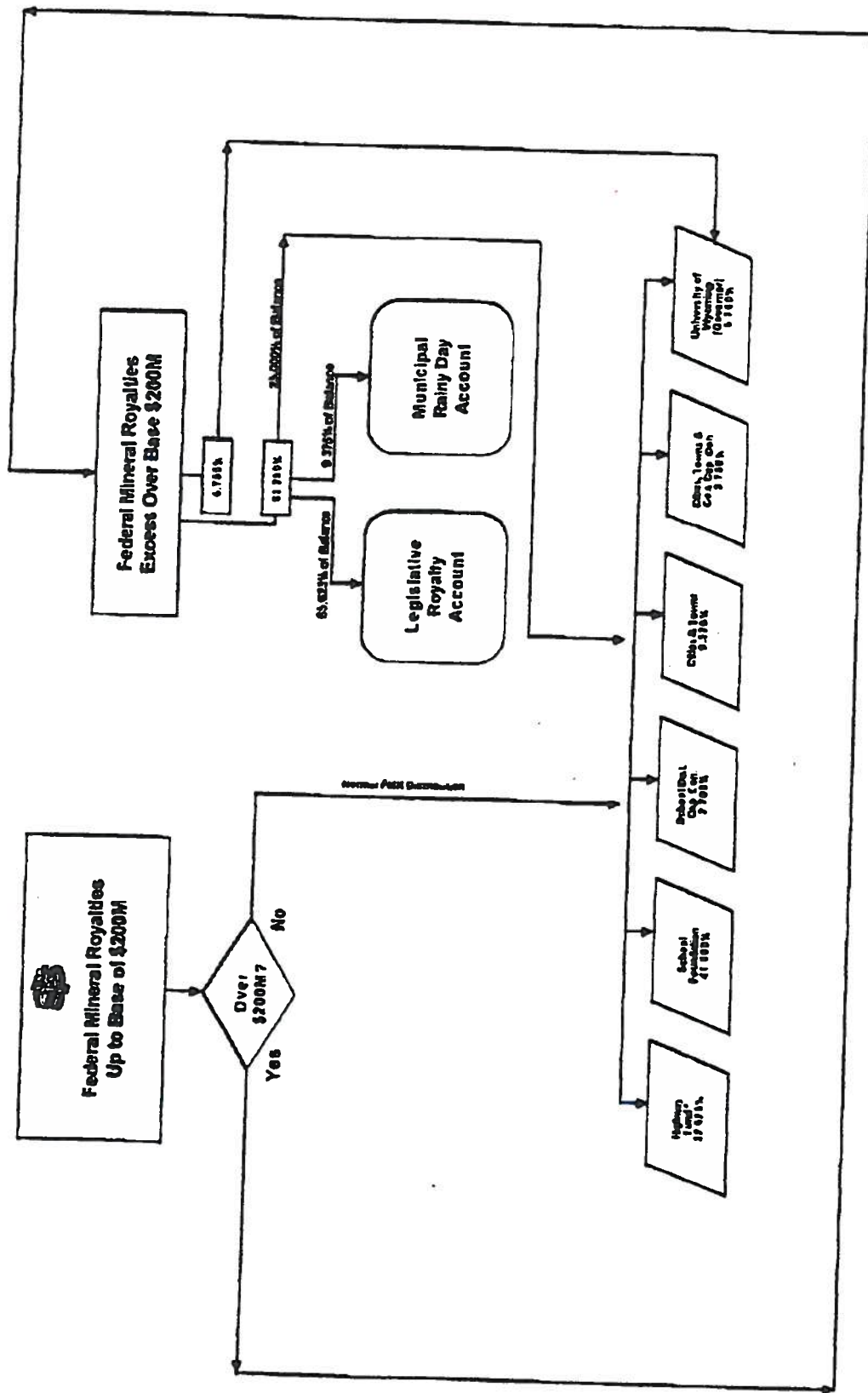
State Mineral Royalties and Land Income:

The funds received are returned to the land trust funds on which the money was earned. Example: Miner's hospital, public buildings, fish hatchery, common school, deaf, dumb & blind, Carey Act, Omnibus, State Hospital, State Training School, penitentiary, agricultural college, and University.

Permanent WY Mineral Trust Fund: Money in this fund is invested by the State Treasurer or loaned out for Legislative Designated Investments (Farm Loans, Local governments, Student Loans, Mortgage Loans, Joint Powers Loans, SBA Loans, Laramie Territorial Park).

FEDERAL MINERAL ROYALTY DISTRIBUTION

By Receiving Entity

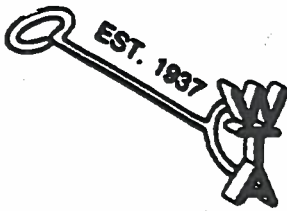


* Due to the P.L. 101 Restoration Act, FMR revenues were diverted from the Counties; Cities & Towns; Cities, Towns & Counties Special Districts Capital Construction; and State Aid to County Roads to the Highway Fund, and were replaced with an equal amount of coal severance tax from the Highway Fund. This process began in March of 1995. Additionally, beginning in 1999, both FMR and severance tax revenues will be diverted from the Highway Fund to the School Foundation Program until a total of \$20M is received. This revenue diversion from the Highway Fund is offset with additional fuel tax revenue.

Prepared by the Division of Economic Analysis, March 3, 1999

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November 28, 1998

WYOMING STATE AND LOCAL FINANCE: A TEN-YEAR OVERVIEW

Wyoming state and local per capita spending outpaced revenue from 1986 to 1995. Revenue increased 13.5 percent, while spending increased 19.7 percent. The trend reversed during the last five years of that period, however; state and local per capita spending increased 15.1 percent from FY 90 to FY 95, while revenue increased 17.3 percent. When adjusted for inflation, per capita state and local revenue declined 18.3 percent during the ten-year period from FY 86 to FY 95, and spending declined 13.8 percent. From FY 90 to FY 95, per capita revenue kept pace with inflation, increasing just under 1 percent, while spending declined 1.2 percent. (Detailed data appears on page 3.)

adjusted for inflation; state and local revenue, excluding federal sources, declined almost 28 percent. The Legislature's Joint Appropriations Committee can perhaps best examine how Wyoming governments spent federal funds and the extent to which the availability of those funds affected state and local government spending decisions.

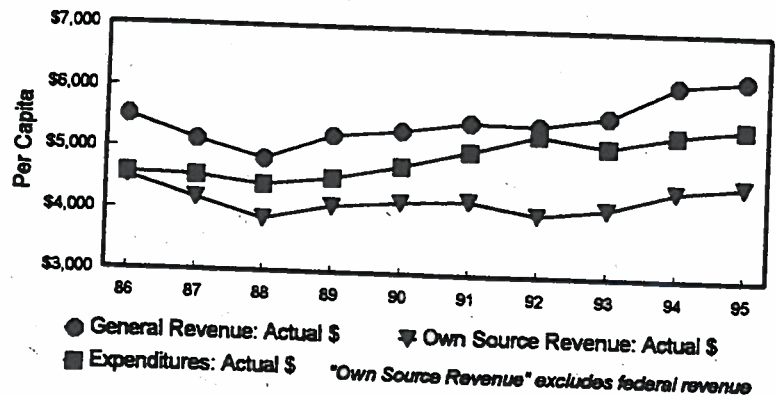
Wyoming Taxpayers Association each year uses U.S. Census data to compare Wyoming revenue and spending with other states, including per capita comparisons (see last year's two-part *How Wyoming Compares: State and Local Finance*, October 1997.) Census data is the only source for reliable data for interstate comparisons.

There are two major criticisms of such analyses: (1) Comparisons with other states are invalid because of Wyoming's low population density and (2) does Wyoming want the lower level of services offered in other states? The first argument has partial merit, but Wyoming's low population does not explain Wyoming's per capita ranking in all cases—state and local policymakers have determined either revenue sources or spending priorities that contribute to our rank, too. As to the second, whatever our rank, our level of services is becoming harder to fund.

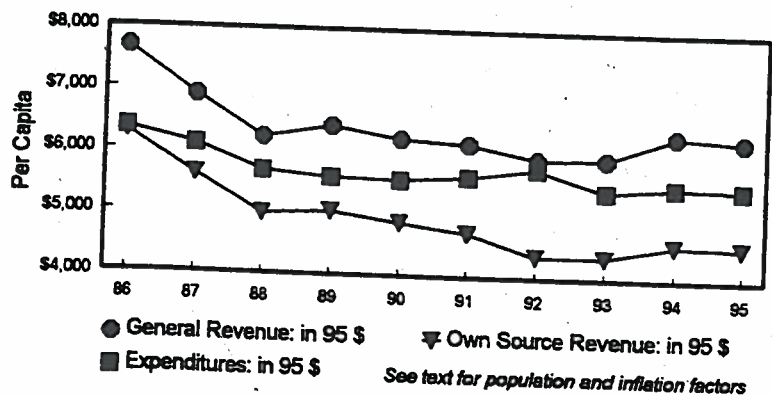
The first criticism, however, did prompt this *Fiscal Researcher* that compares Wyoming to itself from FY 86 to FY 95—the most recent year for which Census data is available. WTA used Census data because Wyoming unfortunately has no in-state central source of data for all governmental entities from which to make such an analysis.

Another very intriguing question raised in a recent public meeting was whether federal revenue has contributed more to increased spending than Wyoming's own state and local revenue. Wyoming governments received a 74.6 percent increase in per capita federal revenue from FY 86 to FY 95, while own-source revenue remained flat. Per capita federal revenue increased over 25 percent in ten years

Wyoming State and Local Finance: FY 86 - FY 95 Per Capita Revenue and Spending



Wyoming State and Local Finance: FY 86 - FY 95 Per Capita Revenue and Spending Adjusted for Inflation



Source: WTA graphics and calculations from U.S. Census government finance data.

Property Taxes

Wyoming per capita property taxes declined 20.8 percent from FY 86 to FY 95. In real terms, the decline was almost 43 percent. Wyoming's property tax includes a gross products tax on mineral production. Mineral production was 71 percent of Wyoming's statewide assessed valuation in FY 86 and 56 percent in FY 95. Mineral production property taxes per capita declined almost 38 percent during the ten-year period—55 percent when adjusted for inflation, while other property taxes per capita increased 22 percent from FY 86 to FY 95—a 12 percent decline in real terms. From FY 90 to FY 95, mineral production property taxes per capita declined 2.4 percent—16.3 percent adjusted for inflation. Other property taxes increased 17.4 percent during that time, or 0.7 percent in real terms.

Sales Taxes and Severance Taxes

Per capita state and local sales taxes increased over 60 percent from FY 86 to FY 95, and almost 70 percent from FY 90 to FY 95. In real terms, sales taxes increased 18.4 percent over the ten-year period, but over 45 percent from FY 90 to FY 95.

Severance taxes per capita decreased 49.6 percent from FY 86 to FY 95. The decline was less from FY 90 to FY 95: just under 30 percent. Adjusted for inflation, per capita severance taxes decreased 63.7 percent from FY 86 to FY 95, and 39.5 percent from FY 90 to FY 95.

Interest Income and Fees

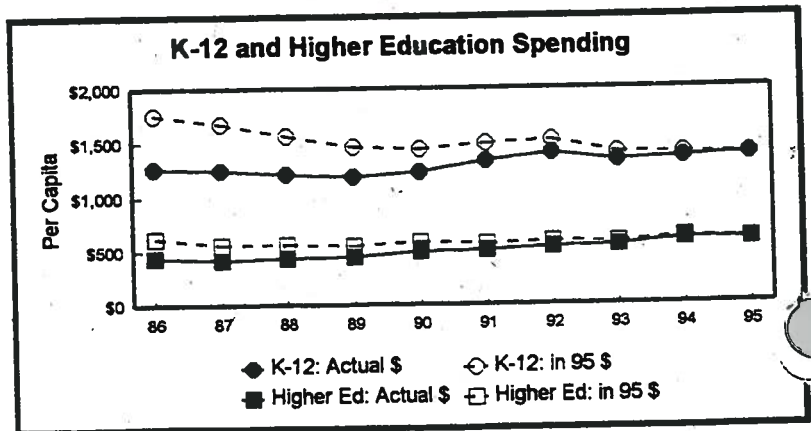
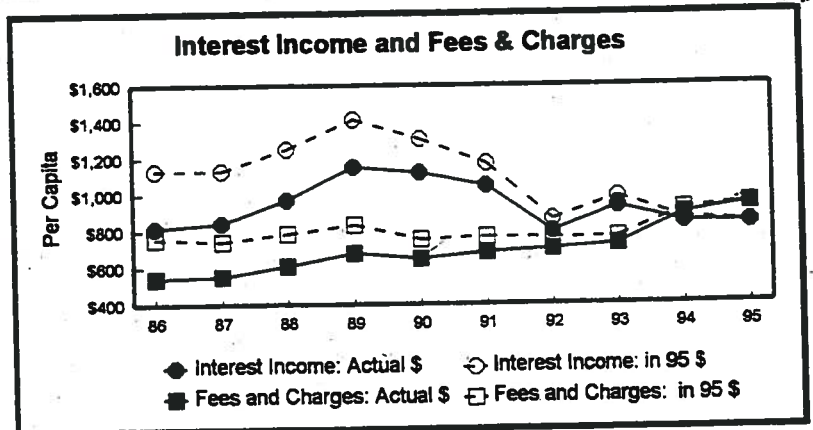
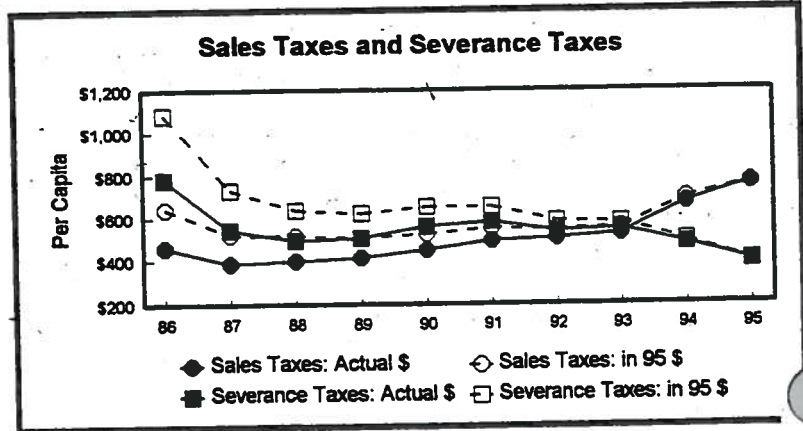
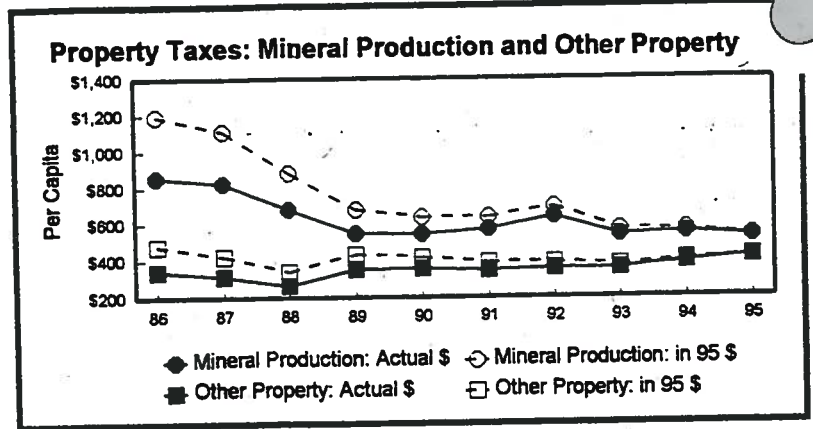
Wyoming state and local interest income grew in the latter half of the 1980s, but declined 25 percent from FY 90 to FY 95. As a result, FY 95 per capita interest revenue was just 3 percent higher than FY 86. Adjusted for inflation, interest earnings per capita dropped 36 percent from FY 90 to FY 95, and 26 percent overall during the ten-year period.

Per capita revenue from governmental fees and charges grew 73.5 percent from FY 86 to FY 95, 25 percent in constant dollars. Per capita fee revenue grew more slowly from FY 90 to FY 95: 46.2 percent in actual dollars, and 25 percent adjusted for inflation.

K-12 and Higher Education Spending

Per capita K-12 spending increased 9.4 percent from FY 86 to FY 95, and 12.2 percent from FY 90 to FY 95. Adjusted for inflation, K-12 spending declined 21.3 percent from FY 86 to FY 95. The decline was 3.8 percent from FY 90 to FY 95. (WTA reported the \$90 million increase in K-12 state and local revenue from FY 97 to FY 99 in our July 1998, *Fiscal Researcher*. This infusion of funds, of course, will change future multi-year comparisons of K-12 finance data considerably.)

Higher education spending per capita increased more than K-12 spending during the same periods. From FY 86 to FY 95, per capita spending increased 35.2 percent, a 2.7 percent decline in constant dollars. From FY 90 to FY 95, per capita higher education spending



WYOMING STATE AND LOCAL FINANCES: FY 1986 THROUGH FY 1995 COMPARED

PER CAPITA CURRENT DOLLARS

REVENUE	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	Changes 86-95		Changes 90-95	
General Revenue	\$5,520	\$5,141	\$4,833	\$5,227	\$5,340	\$5,504	\$5,465	\$5,632	\$6,164	\$6,265	\$745	13.5%	\$925	17.3%
Federal	990	962	975	1,142	1,175	1,292	1,460	1,508	1,729	1,729	739	74.6%	554	47.1%
Own Source Revenue	4,530	4,178	3,858	4,085	4,165	4,212	4,005	4,124	4,434	4,536	6	0.1%	371	8.9%
Taxes	2,688	2,356	2,107	2,089	2,206	4,212	2,342	2,298	2,518	2,365	-323	-12.0%	160	7.2%
Property Taxes	1,200	1,138	943	902	902	917	995	892	941	951	-249	-20.8%	49	5.4%
Mineral Production	857	825	680	549	546	569	638	537	552	532	-324	-37.8%	-13	-2.4%
Other Property	343	313	263	353	356	347	357	355	390	418	75	21.9%	62	17.4%
Sales Tax	461	387	398	412	448	490	501	523	669	759	297	64.5%	311	69.5%
Other Taxes	247	286	272	271	298	309	311	338	431	448	202	81.8%	150	50.3%
Severance Taxes	781	544	494	504	558	580	536	546	477	394	-387	-49.6%	-164	-29.4%
Fees and Charges	544	552	608	677	645	683	700	724	889	944	400	73.5%	298	46.2%
Misc Revenue	483	428	175	170	196	190	171	171	186	202	-282	-58.2%	6	2.9%
Interest Earnings	\$814	\$842	\$968	\$1,149	\$1,117	\$1,043	\$792	\$931	\$841	\$839	\$25	3.0%	-\$279	-24.9%
EXPENDITURES														
Direct General Spending	\$4,575	\$4,545	\$4,407	\$4,542	\$4,758	\$5,027	\$5,310	\$5,137	\$5,351	\$5,478	\$903	19.7%	\$720	15.1%
Higher Education	443	415	433	445	497	507	534	545	608	599	156	35.2%	102	20.5%
K-12 Education	1,262	1,244	1,209	1,186	1,231	1,327	1,399	1,327	1,357	1,380	118	9.4%	150	12.2%
Social Services	709	803	806	788	779	866	1,035	1,081	1,231	1,269	560	79.1%	490	63.0%
Transportation	733	693	587	609	645	758	766	633	674	701	-31	-4.3%	56	8.7%
Safety/Corrections	225	229	226	253	270	283	286	277	277	282	57	25.4%	12	4.4%
Environment/Resources	357	351	349	433	474	475	490	468	434	467	109	30.6%	-8	-1.7%
Other General Govt.	238	241	233	265	296	312	322	310	300	328	90	37.8%	31	10.6%
Interest on Debt	366	344	352	382	382	365	329	309	264	247	-120	-32.7%	-136	-35.5%
Misc. Expenses	\$242	\$225	\$213	\$180	\$184	\$134	\$150	\$187	\$206	\$206	-\$36	-14.9%	\$23	12.3%

PER CAPITA CONSTANT (1995) DOLLARS

REVENUE	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	Changes 86-95		Changes 90-95	
General Revenue	\$7,667	\$6,892	\$6,224	\$6,424	\$6,226	\$6,159	\$5,937	\$5,940	\$6,336	\$6,265	-\$1,402	-18.3%	\$39	0.6%
Federal	1,375	1,290	1,256	1,404	1,370	1,446	1,586	1,590	1,778	1,729	354	25.7%	359	26.2%
Own Source Revenue	6,292	5,602	4,968	5,020	4,856	4,713	4,351	4,350	4,558	4,536	-1,756	-27.9%	-320	-6.6%
Taxes	3,734	3,159	2,714	2,567	2,572	4,713	2,545	2,424	2,589	2,365	-1,369	-36.7%	-207	-8.0%
Property Taxes	1,666	1,526	1,214	1,108	1,052	1,026	1,081	941	968	951	-716	-42.9%	-101	-9.6%
- Mineral Production	1,190	1,107	875	675	636	637	693	566	567	532	-657	-55.3%	-104	-16.3%
- Other Property	477	420	339	433	415	389	388	375	401	418	-58	-12.2%	3	0.7%
Sales Tax	641	519	513	506	522	548	544	551	688	759	118	18.4%	237	45.3%
Other Taxes	343	384	350	333	348	345	338	356	443	448	106	30.9%	101	28.9%
Severance Taxes	1,084	729	636	619	650	649	582	575	490	394	-691	-63.7%	-257	-39.5%
Fees/Charges	756	740	783	832	753	764	760	764	913	944	188	24.9%	191	25.4%
Misc Revenue	671	574	225	209	229	213	186	181	191	202	-470	-69.9%	-27	-11.8%
Interest Earnings	\$1,131	\$1,129	\$1,247	\$1,412	\$1,303	\$1,168	\$860	\$982	\$865	\$839	-\$292	-25.8%	-\$464	-35.6%
EXPENDITURES														
Direct General Spending	\$6,354	\$6,093	\$5,676	\$5,581	\$5,548	\$5,625	\$5,768	\$5,418	\$5,501	\$5,478	-\$876	-13.8%	-\$69	-1.2%
Higher Education	615	557	557	547	579	567	580	575	625	599	-16	-2.7%	20	3.4%
K-12 Education	1,753	1,667	1,557	1,457	1,435	1,485	1,520	1,399	1,395	1,380	-373	-21.3%	-55	-3.8%
Social Services	984	1,076	1,038	969	908	969	1,124	1,140	1,265	1,269	285	28.9%	361	39.8%
Transportation	1,018	930	755	748	752	848	832	668	693	701	-316	-31.1%	-51	-6.8%
Safety/Corrections	312	307	292	311	315	317	311	293	285	282	-30	-9.7%	-33	-10.5%
Environment/Resources	496	471	449	532	553	532	532	493	447	467	-30	-6.0%	-87	-15.7%
Other General Govt.	330	322	300	326	346	349	350	327	309	328	-3	-0.8%	-18	-5.2%
Interest on Debt	509	462	453	469	445	409	358	326	271	247	-262	-51.5%	-199	-44.7%
Misc. Expenses	\$337	\$301	\$274	\$222	\$214	\$150	\$162	\$197	\$212	\$206	-\$130	-38.7%	-\$8	-3.6%

Notes: WTA calculations from U.S. Bureau of the Census data for the years shown, adjusted where necessary to correct Census data errors. WTA used the population and inflation factors below to calculate per capita current (actual) and constant (in \$ 1995) amounts.

Population	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995				
Population	495,624	476,967	465,098	458,377	453,589	457,779	463,560	469,076	475,033	478,532	-17,092	-3.4%	24,943	5.5%
Inflation	1.9%	3.6%	4.1%	4.8%	5.4%	4.2%	3.0%	3.0%	2.6%	2.8%				

increased 20.5 percent. This was a 3.4 percent real increase after adjusting for inflation.

Social Services and Transportation

"Social services" include health, hospital and welfare spending. This area saw by far the largest increase in spending by state and local governments from FY 86 to FY 95. Per capita spending rose over 79 percent over the ten-year period, and 63 percent from FY 90 to FY 95. In real terms, social service spending per capita increased 28.9 percent from FY 86 to FY 95, and 39.8 percent from FY 90 to FY 95.

Transportation spending per capita declined 4.3 percent from FY 86 to FY 95, but rose 8.7 percent from FY 90 to FY 95. Adjusted for inflation, the declines were 31.1 percent and 6.8 percent, respectively. (This year's fuel tax hike and increased federal funding will undoubtedly show a marked increase in transportation spending in any future trend analysis.)

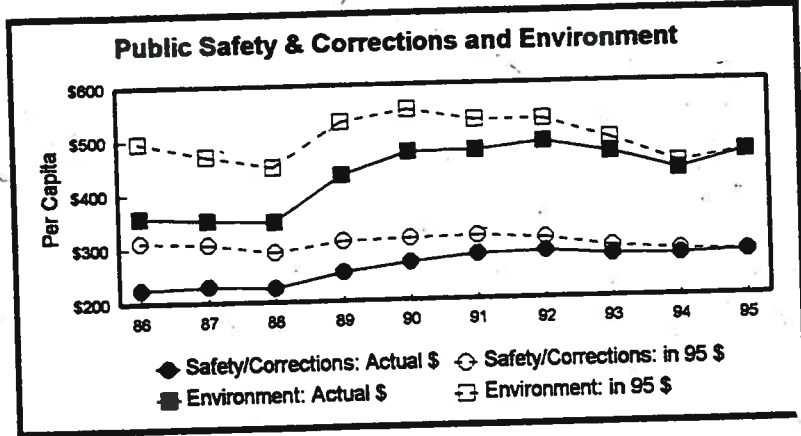
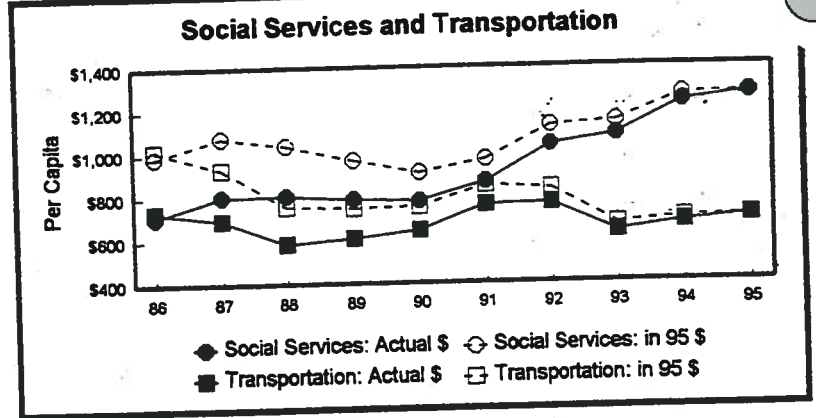
Public Safety & Corrections and Environment

Per capita state and local spending for police and fire protection and correctional facilities increased 25.4 percent from FY 86 to FY 95, and 4.4 percent from FY 90 to FY 95. In each case, this translates to about a 10 percent decline in constant dollars.

Per capita spending in environmental and natural resource areas, including regulatory affairs, increased 30.6 percent during the ten-year period, declining 1.7 percent from FY 90 to FY 95, however. Adjusted for inflation, per capita spending decreased 6 percent from FY 86 to FY 95, and 15.7 percent from FY 90 to FY 95.

Conclusion

This *Fiscal Researcher* very simply charts Wyoming state and local per capita finances for the ten-year period from fiscal years 1986 to 1995, both in actual "current" dollars and



"constant" dollars adjusted for inflation. WTA realizes that 1986 was indeed the high point in state and local mineral revenue and comparisons to that period often, but not always, will show a "real" decline when adjusted for inflation. It is useful, however, to compare changes in revenue sources over time and particularly governmental spending priorities during the period of "real" revenue declines. WTA is researching fiscal data for the period before the "boom" years to make further comparisons in an upcoming report.



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 Encampment, WY 82325

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*JOINT
LEGISLATIVE-EXECUTIVE
REVENUE AND EXPENDITURE
STUDY*

“MACRO” REPORT

*A Global View of
State Revenues and Expenditures*

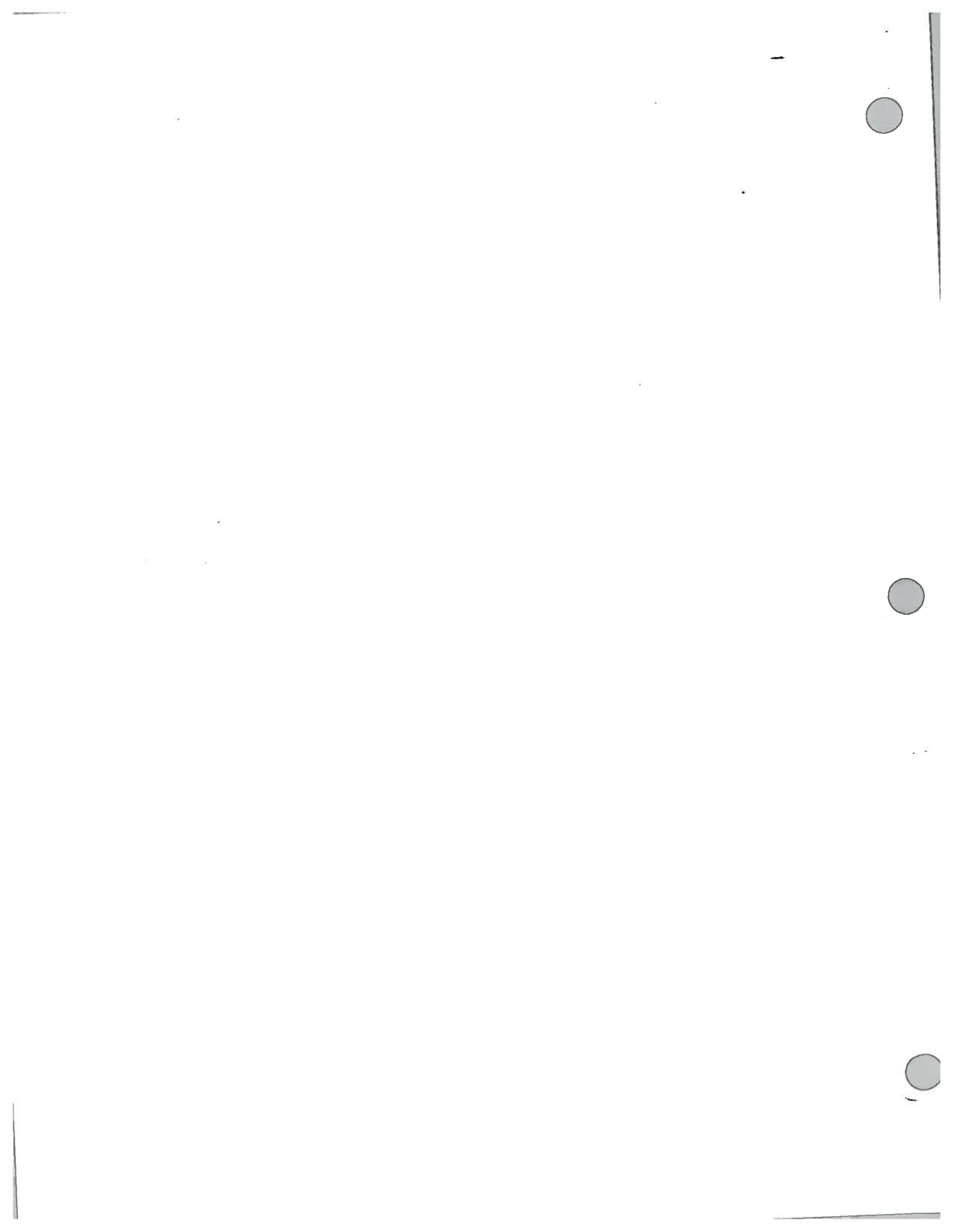


May 1999



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A. General description of the Joint Legislative-Executive Revenue and Expenditure study

During the 1999 Legislative Session, there was enacted the supplemental appropriations bill, 1999 Wyoming Session Laws, Chapter 169. Section 335 of that act provided for an assessment of state revenues and expenditures. The section is set out below.

"[STATE GOVERNMENT EXPENDITURES AND REVENUES]

Section 335.

(a) There is created a joint legislative-executive committee on state government expenditures and revenues. The committee shall consist of members appointed by the governor from the executive branch and not more than fifteen (15) members of the Wyoming legislature appointed by the management council. In making the appointments, the management council shall apportion the membership as nearly as possible to reflect the percentage of the elected membership of the majority and minority parties of the full legislature and shall appoint at least one (1) member from each party in each house.

(b) Legislator members shall receive salary, per diem and mileage from the legislature's appropriation for traveling to and from and attending meetings of the committee as if the committee were an interim committee of the legislature.

(c) The committee shall be staffed jointly by the legislative service office and the budget division of the department of administration and information. Other executive branch agencies shall provide assistance to the committee upon request.

(d) The committee shall assess state government expenditures, revenues, existing tax exemptions and fund consolidation and shall use available studies, reports, agency strategic plans and budget documents to the extent practicable. The committee will make recommendations and have any recommended legislation submitted by September 30, 1999, to the legislature and the governor based on the review. The committee created by this section shall terminate October 1, 1999."

After the bill was enacted into law, the Executive and Legislative branches appointed members to this Joint Committee, which is informally referred to as the "Oversight" Committee. The members of the Oversight Committee are listed in Attachment A-1 (p.5). Staff services to the Committee were provided jointly by Executive branch personnel and the Legislative Service Office (LSO).

The Oversight Committee specified a two-part structure for the study. The first part would be a "Macro" overview of the trends in state revenues and expenditures over the past

10 years, and even 20 years if practicable. This "Macro" report would have limited detail and would be intended to provide a context for the second part of the report. The LSO served as the lead staff agency in preparing this "Macro" report.

The Oversight Committee identified late May as a target for completion of the "Macro" report. The Oversight Committee created two additional committees, one to direct the expenditure portion of the "Macro" report and the other to direct the revenue portion. These additional committees were comprised of both legislators and members of the Executive Branch. Attachment A-1 (p.5) also lists the members of these committees.

These two committees submitted the proposed "Macro" report covering revenues and expenditures to the Oversight Committee in May. The Oversight Committee voted to accept and release of the "Macro" report for distribution in late May 1999.

The second part of the study will consist of a review of state programs and a more in depth review of revenues. The Executive Branch is to serve as the lead staff to the Oversight Committee for this part. The Executive Branch staff is assembling a set of data which will identify state programs and data associated with each, including fiscal information, personnel and population served by the program.

The Revenue and Expenditure Committees have each formed three subcommittees for this in depth review. The Revenue and Expenditure Committees will report to the Oversight Committee by early August. The Oversight Committee is required by law to submit any recommendations for legislation to the Governor and the Legislature not later than September 30, 1999. The Oversight Committee is dissolved effective October 1, 1999.

Acknowledgments

LSO was directed to serve as the lead staff agency for the preparation of this report. This was a joint staffing effort with assistance from the following Executive branch agencies:

Office of the Governor, Office of the State Auditor
Office of the State Treasurer, State Department of Education
Department of Administration and Information
Department of Audit
Department of Employment
Department of Game and Fish
Department of Revenue
Department of Transportation

B. Statement of Purpose and background information
for the "Macro" report portion of the
Joint Legislative/Executive Expenditures and Revenues Study

The purpose of the "Macro" report is to provide policy makers and the general public information about historic patterns in Wyoming state government expenditures and revenues. In addition, the report is intended to provided information about the state's "budget shortfall" as it appears from data available in May 1999.

Wyoming state government receives revenue from a number of sources including the federal government, earnings from state investments and state lands, fees and charges, and of course, state taxes. State taxes include property taxes, sales and use taxes, mineral severance taxes, fuel taxes, tobacco and alcoholic beverage taxes.

Wyoming has 23 counties, nearly 100 municipalities, 48 school districts, and several hundred special districts providing services to Wyoming's citizens. These units of Wyoming local government, like state government, receive revenues from a variety of sources and in varying amounts. Attachments A-2 through A-5 (pp. 6-9) provide an overview of sources of revenue to both state and local governments in Wyoming.

Wyoming citizens and businesses pay taxes, fees and charges to all levels of government: federal, state and local. In 1995, Wyoming citizens had a personal federal income tax liability of more than \$1 billion.

This report, though, focuses on revenues and expenditures at the state government level. It is intended to convey a broad overview, not an accounting of funds or technical detail about the complexity of state revenues and expenditures.

This "Macro" report will not cover details of or policy considerations regarding specific taxes or individual state programs. Those will be considered in the coming months. Instead, information will be aggregated into categories and functional classifications so that patterns can be identified. These patterns will then provide background and a context for subsequent analysis as directed by the Joint Oversight Committee.

Over the past 20 years, Wyoming's population grew during the "boom" of the mid-1980's, decreased through the early 1990's

and then increased somewhat through the remainder of the 1990's. However, the estimated Wyoming population in 1998 is only about 2.4% greater than it was in 1980. (See pp. 10-11)

Public school enrollment has paralleled the state's population trends to some extent. However, actual ADM (average daily membership) in the public schools in 1998 is less than it was in 1980. It continues to decrease. (See pp. 10-11)

University of Wyoming enrollment increased at the end of the 1980's and then decreased in the mid-1990's. Community college full-time equivalent enrollment increased in the early 1990's and has remained relatively constant for several years. (See pp. 10-11)

Finally, the number of inmates in state correctional facilities as increased dramatically over the past 20 years, nearly triple the level in 1980. (See pp. 10-11)

The assessed valuation of property in the state increased during the "boom" of the early 1980's and then decreased dramatically in the mid-1980's. It has recovered slowly during subsequent years. (See p. 12)

ATTACHMENT A-1

JOINT LEGISLATIVE/EXECUTIVE COMMITTEE ON STATE GOVERNMENT EXPENDITURES AND REVENUES (OVERSIGHT)

Senator Jim Twiford, Cochairman
Representative Eli Bebout, Cochairman
Governor Geringer, Cochairman

Senator Hank Coe
Senator April Brimmer Kunz
Senator Grant Larson
Senator Jayne Mockler
Senator Robert Peck
Senator Bill Vasey

Representative Micheal Baker
Representative Chris Boswell
Representative John Hines
Representative Carolyn Paseneaux
Representative Louise Ryckman
Representative Rick Tempest

Johnnie Burton, Director, Dept Revenue
Frank Galeotos, Director, Dept Employment
Cynthia Lummis, State Treasurer
Max Maxfield, State Auditor
Ron Micheli, Director, Dept Agriculture
Margaret Spearman, Governor's Office

SELECT COMMITTEE ON EXPENDITURES

Senator Grant Larson, Cochairman
Representative John Hines, Cochairman

Senator Tex Boggs
Senator Rich Cathcart
Senator Irene Devin
Senator Bruce Hinchey
Senator Charles Scott

Representative Jim Anderson
Representative Pat Childers
Representative Randall Luthi
Representative Mac McGraw
Representative Carolyn Paseneaux
Representative Louise Ryckman
Representative Rick Tempest

State Supt Public Instruction Judy Catchpole
Dept of Audit Director Mike Geesey
Dept of Health Director Dr. Garry McKee
Dept of Employment Director Frank Galeotos

SELECT COMMITTEE ON REVENUES

Senator, Robert Peck, Cochairman
Representative, Micheal Baker, Cochairman

Senator Mark Harris
Senator Bill Hawks
Senator Rae Lynn Job
Senator Curt Meier
Senator Jayne Mockler

Representative Chris Boswell
Representative Roger Huckfeldt
Representative Phil Nicholas
Representative Fred Parady
Representative Jim Rose
Representative Denny Smith
Representative Harry Tipton

Secretary of State Joe Meyer
State Treasurer Cynthia Lummis
Dept of Revenue Director "Johnnie" Burton
Dept of Agriculture Director Ron Micheli

State, Local and Other Revenues for Local Governments (For info only - not a complete list)
Note: School districts intentionally omitted, for details on school districts, see Section E.

ATTACHMENT A-2

Cities & Towns

State Sources

- State Sales & Use Tax
- Local Distribution of State's Share of Federal Mineral Royalties
- State Fuels Taxes
- State Severance Taxes
- State Tobacco Taxes
- State's Contribution to Police Officer Retirement
- State Insurance Premium Tax - For Volunteer Firemen Pension

Local Sources

- Local Optional 1% Sales & Use Tax
- Local Optional Capital Facilities 1% Sales & Use Tax
- Local Optional Lodging Taxes
- Local Property Taxes
- Motor Vehicle Fees/Registrations
- Interest Income
- Various Fees and Charges for Sales and Services

Counties

State Sources

- State Sales & Use Tax
- State Fuels Taxes
- State Severance Taxes
- State Tobacco Taxes

Local Sources

- Local Optional 1% Sales & Use Tax
- Local Optional Capital Facilities 1% Sales & Use Tax
- Local Optional Lodging Taxes
- Local Property Taxes
- Motor Vehicle Fees/Registrations
- Interest Income
- Various Fees and Charges for Sales and Services
- Railroad car taxes
- U.S. Forest Reserve
- Taylor Grazing Act

Special Districts

Local Sources

- Local Property Taxes
- Various Fees and Charges for Sales and Services

Community Colleges

State Sources

- State General Fund Appropriation (Type 3 - Discretionary Revenue)
- Coal Lease Bonus (Type 2 - Earmarked Revenue)

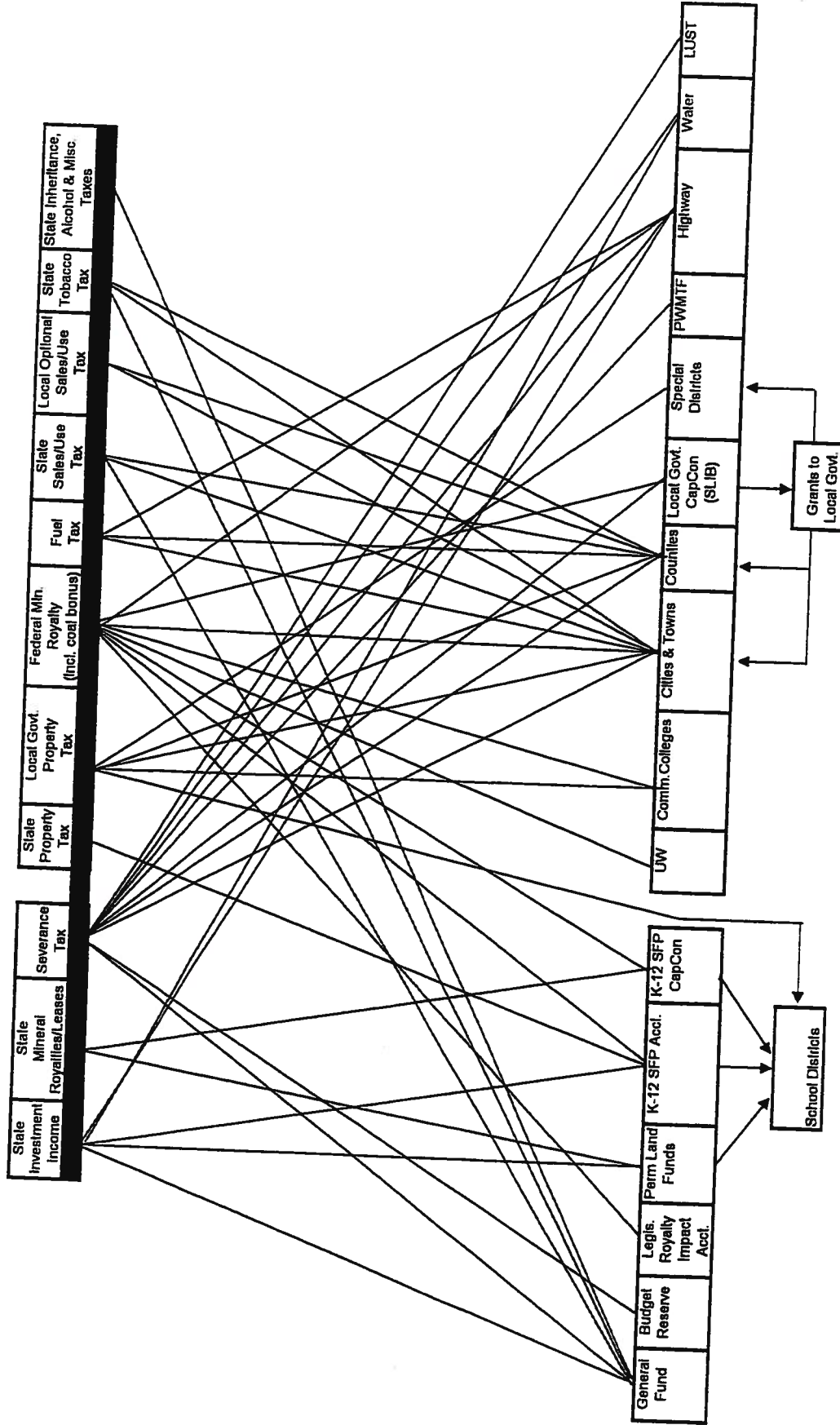
Local Sources

- Local Property Taxes
- Tuition
- Various Fees and Charges for Sales and Services

Other State funding sources for Local Governments

- Mineral Royalty Grant Program (Type 2 - Earmarked Revenue)
- Federal Mineral Royalties/Sev. Taxes-State Aid County Roads (Type 2 - Earmarked Revenue)
- Joint Powers Loans (SLIB Loan Program)
- Water Development Grants and Loans
- Irrigation Loans (SLIB Loan Program)

Revenue Flow Chart 1999 (See Notes Below)



Notes:
 Intentionally Omitted - Federal Funds, Fees and Charges for Services and Licenses, Unemployment Insurance and Workers Compensation Funds.
 SLIB = State Loan and Investment Board

Revenue Flow Matrix (See notes below)

	State Investment Income	State Mineral Royalties/Leases	State Severance Tax	State Property Tax	Local Govt. Property Tax	Federal Min. Royalty (incl. coal bonus)	Fuel Tax	State Sales/Use Tax	Local Optional Sales/Use Tax	State Tobacco Tax	State Inheritance, Alcohol & Misc. Taxes
General Fund	X		X					X		X	
Budget Reserve Acct.			X			X					
Legis Royalty Impact Acct.						X	X				
Highway Fund	X		X			X					
K-12 (SFP Acct.)	X			X		X					
K-12 (SFP Capcon)		X				X					
UW					X	X					
Community Colleges					X						
Local School Districts					X	X	X	X	X	X	
Cities & Towns					X		X	X	X	X	
Counties					X						
Local Govt Capcon					X						
Special Districts					X						
Perm Min Trust Fund	X		X								
Perm Land Funds	X	X	X								
Water Accounts			X								
L.U.S.T.			X								

Notes:
 L.U.S.T. - Leaking Underground Storage Tanks
 Intentionally Omitted:
 Federal Funds (Some federal funds flow directly to local entities, others flow through state agencies. All have been omitted from this matrix.)
 Fees, Charges for Sales and Services, and Fines and Forfeitures
 Unemployment Insurance and Workers' Compensation

**Total Local Government Revenues
1997-1998 Biennium**

ATTACHMENT A-5

	Total Revenues
Cities & Towns	\$756,125,174
Counties	\$340,384,929
Special Districts **	\$174,981,377
Total Local Governments All Revenues	\$1,271,491,480

Data taken from:

County Finance Report prepared for Tax Reform 2000
Prepared by Department of Audit
Public Funds Division
Local Government

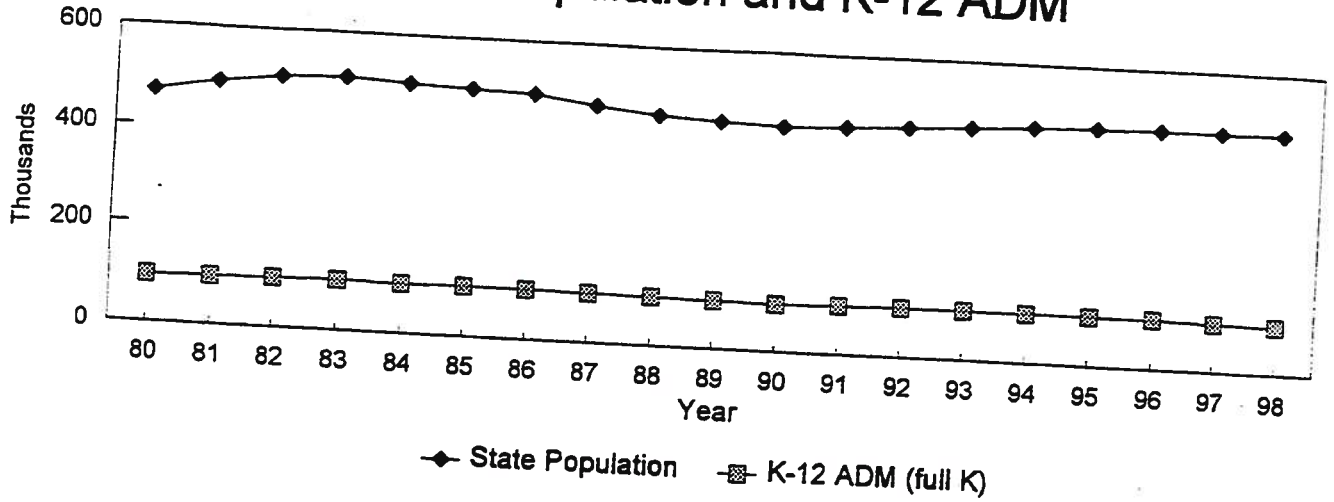
** NOTE: These figures do not include revenues to hospitals, school districts,
or the community colleges.

Historical Trends in Population, Education, and Corrections

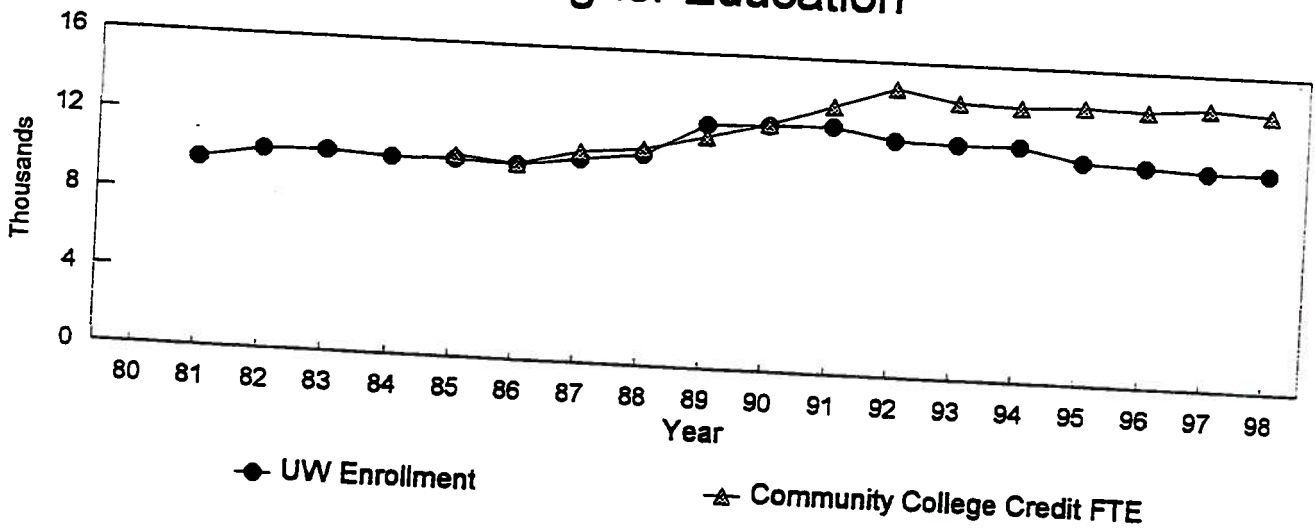
Year	State Population	K-12 ADM*	Community College Credit FTE	UW Enrollment	Inmate Population
1980	469,557	95,471			528
1981	491,755	97,136		9,635	567
1982	506,428	98,951		10,210	689
1983	510,861	100,327		10,248	758
1984	504,923	99,601		10,087	600
1985	499,718	100,142	10,314	10,109	712
1986	495,059	101,098	10,004	9,980	745
1987	477,005	99,078	10,775	10,401	820
1988	465,135	97,516	11,071	10,773	854
1989	458,400	96,614	11,835	12,431	888
1990	453,588	96,263	12,612	12,524	968
1991	457,779	97,459	13,661	12,656	955
1992	463,560	98,951	14,691	12,052	940
1993	469,076	99,585	14,125	12,012	953
1994	475,033	99,996	14,013	12,020	1033
1995	478,532	99,031	14,135	11,361	1143
1996	480,011	98,635	14,091	11,251	1292
1997	479,743	97,163	14,298	11,094	1363
1998	480,960	95,184	14,114	11,124	1413

* Figures reflect full K ADM.

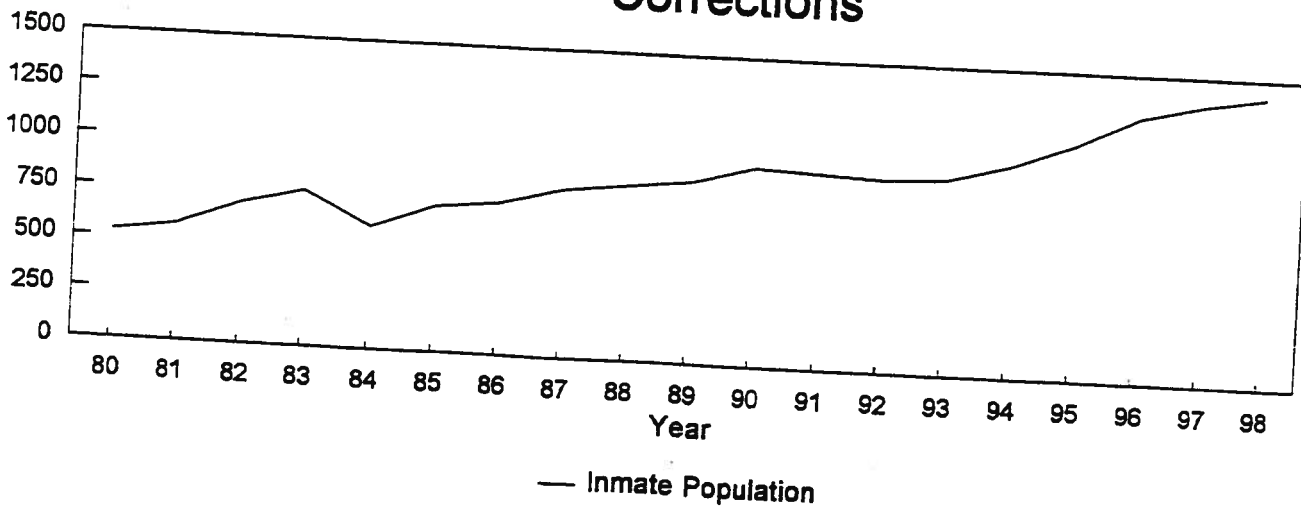
State Population and K-12 ADM



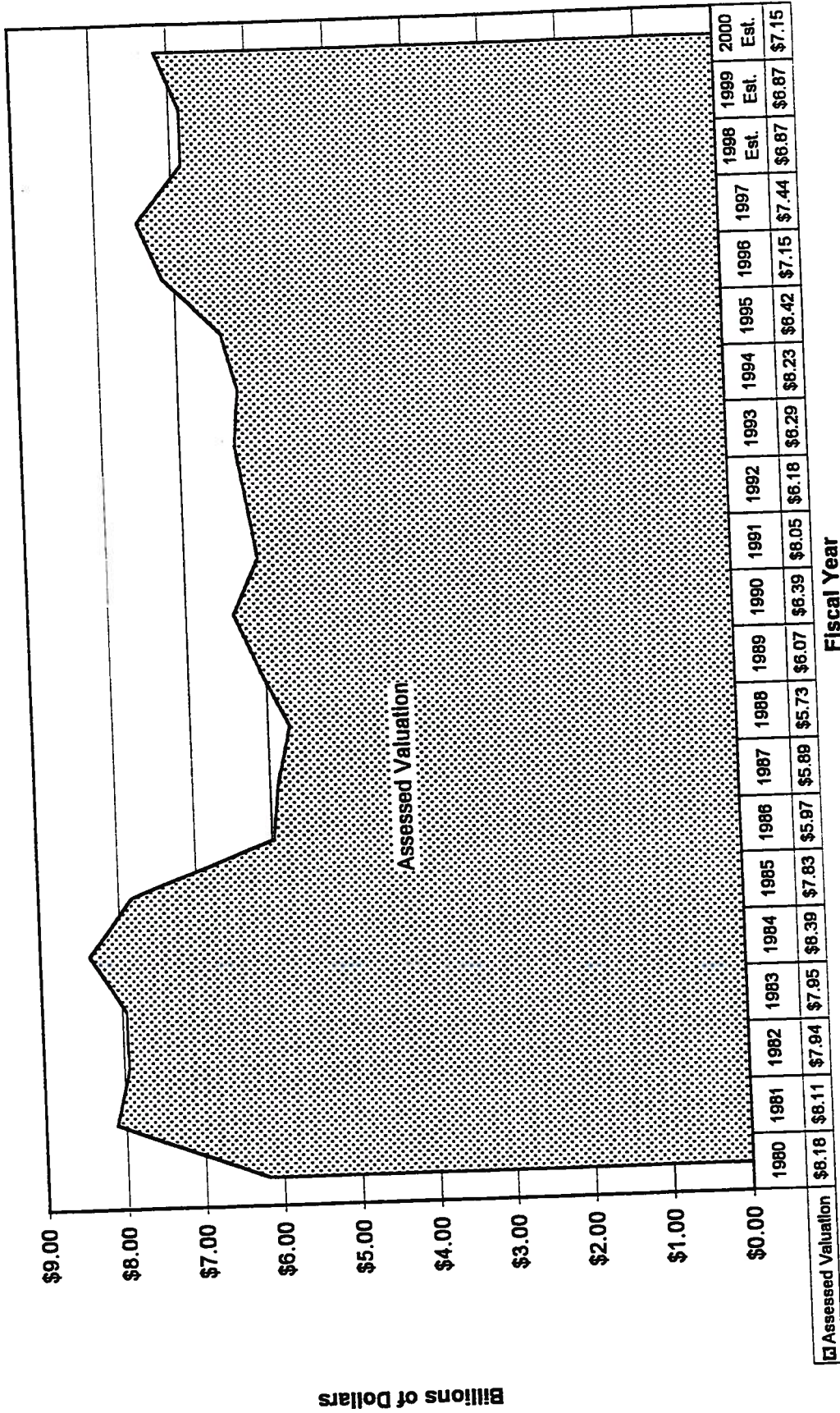
Higher Education



Corrections



**Total State Assessed Valuation
FY 1980 - 2000**



Billions of Dollars

C. STATE REVENUES - TYPES AND HISTORY

Explanation of the methodology and limitations.

Revenues have been divided into three major types that are explained in detail below. This categorization is not intended to strictly follow accounting definitions. Instead, an attempt is made to group revenue sources to reflect a legislative or policy making perspective. While trends for certain individual revenue sources may be of some interest, this "macro" report is intended to focus on the "big picture."

This report portrays the amount of revenue actually flowing into state coffers. It does not include an analysis of transfers of revenue already received from one fund or account to another.

For this reason, internal service fund revenues have not been included in this analysis, as they are payments from one agency to another. Neither have agency fund revenues been included. In many instances, agency fund revenues are funds awaiting distribution to some other entity (such as mineral severance taxes for local governments). Agency fund revenues also include monies being held for some other non-state entity (such as the Wyo-Star account, an investment account for local governments).

Revenues to the pension funds have also not been included. These revenues also consist of transfers from other funds (e.g. employer payroll contributions), and of investment income earned by managers solely for retirement fund purposes.

Note the historical time frame for this report (1979-1998) covers a period under which the State had three accounting systems and two accounting methods. Under the old accounting systems and method, some revenues and accounts may have been classified as earmarked, trust and agency, or expendable trust. These are now under newer accounting methods and are classified differently. Literally hundreds of relatively small accounts have been created and dissolved over the last twenty years. Some remain in existence, and some do not.

The foregoing issues impact the accuracy of the figures in this report. However, they are not significant for the purpose of this "macro" view. Particularly with respect to Type 1 (Dedicated) revenues, judgments have been made by staff in categorizing data instead of engaging in lengthy

analysis of accounts over the past twenty years. The dollar amounts listed in this report are not precise with regard to any revenue source or type. However, the figures provided do reflect an accurate summary of the overall state revenue picture and fairly reflect the relative magnitude of the three different types of funds.

Also, in 1993, the State switched from a cash basis to an accrual basis for accounting. Data from the State Auditor's Office for revenues before 1993 reflect cash accounting, and for 1993 and thereafter, accounting is on an accrual basis. For many revenue sources, data was obtained from individual agencies or programs in order to avoid confusion that might result from different reports that are produced by the agencies. In some cases, these agencies may still track and report data on a cash rather than accrual basis. However, the data is still based on a twelve-month period, and differences between cash and accrual are usually very minimal. Again, the structure is intended to focus attention on the totals of the different categories of revenue, not the individual revenue sources that contribute to them.

This report contains references to funding that has been adjusted for inflation. The adjustments are based on the widely used 1982-1984 federal consumer price index for all urban consumers (1982-1984 CPI-U).

Statutory changes regarding revenue - history

Clearly, state revenue profiles are affected by accounting changes and economic conditions over the years. However, the statutes regarding state revenues, taxes and distributions have not been static. There have been dozens of changes during the past 20 years that have impacted revenues and their distribution.

Some of the major changes include:

- the 1988 diversion of certain mineral severance taxes from flowing to the PWMTF and redirecting them to the budget reserve account
- 1993 increase of 1 cent in the state sales and use tax
- 1998 increase of 5 cents per gallon on fuels

Attachment C-1 (pp.23-27) contains a list of legislation enacted over the past 22 years which has affected state

revenue rates and distributions. There may be other legislation which could be included on this list.

However, the list has a two-fold purpose. First, it illustrates that the state's statutory framework related to revenues is not a constant; it changes almost annually to a greater or lesser extent. There are about 40 items on the list just from the last 10 years alone. Second, the list provides a reference to help explain why revenues changed in a particular year.

Type 1 - Dedicated Revenues.

Type 1 - Dedicated Revenues are summarized in Chart 1R (p.28). These revenues are either:

- designated for a specific purpose by the Constitution, the Act of Admission, other federal law, or trust; or
- designated by state statute to be expended for a specific purpose on an almost user fee or "quid pro quo" basis, i.e. something of value is received in return for payment. These revenues are such that it is impractical to collect these revenues and then use them for general governmental purposes. Examples include licensing fees, revenues from liquor sales used to purchase new inventory for resale, and the mill levy on oil and gas production for the Oil and Gas Conservation Commission.

Following are the components which comprise Type 1 - Dedicated Revenues. These components correspond with the columns in Chart 1R (p.28).

All Federal Funds - These are all federal funds that flow to or through the state or any of its agencies. Federal funds presented here do not include any funds which flow directly to any local governmental entities (including school districts) from the federal government. These are only funds which first flow to the state, some of which then flow through to local governments and other entities.

Investment Income - This is all investment income (e.g. interest, dividend and capital gains) received by the State Treasurer's Office, but excluding investment income which is credited to the General Fund. Investment income credited to the general fund is included as Type 3 - Discretionary Revenues in this report.

K-12 Property Taxes and Other Dedicated Revenues - This includes:

- the statewide 12 mill levy for public schools imposed under the Constitution (the rate was 6 mills from 1978 to 1983)
- the state's share of county registration fees on vehicles and car company taxes, both of which are distributed in the same proportion as the 12 mill state property tax levy
- recapture amounts paid by school districts to the school foundation account
- beginning in 1994, up to \$8 million per year in state mineral royalties. In prior years, these were flowing to the Common School Permanent Land Fund account to be invested. These are accounted for in the "Non-expendable Trust Revenue" column (column 9) in years 1978 to 1993.

Fuel Taxes - Motor Vehicle Fees & Other DOT funding - This includes fuels taxes and motor vehicle fees, both of which are required under the Constitution to be deposited into the highway fund. It also includes all other sources of revenue to the Department of Transportation (DOT), except investment income, federal funds, and mineral severance taxes and federal mineral royalties that are profiled as described in other parts of this report.

Game & Fish Revenues - This column includes all Game & Fish revenues except investment income and federal funds. Please note that data for 1998 to 1991 was obtained from Game & Fish reports, and data for 1990 to 1978 was obtained from State Auditor's Office reports. Because of these two different sources, data may not be completely consistent over the entire historical period, and inferences made from this presentation must be made with qualifications.

Workers' Compensation Revenue - This includes employer paid premium only, and does not include investment income or other revenue appropriated by the Legislature.

Unemployment Insurance Premiums - This includes all unemployment tax receipts received by the State, and does not include investment income or federal revenues.

Liquor Sales - This is the revenue received from the sale of liquor to liquor dealers. From this revenue, costs of purchasing the liquor and administrative costs are subtracted to compute profit. Profit is deposited into the general fund and is presented as a Type 3-Discretionary revenue in this report.

Other Non-expendable Trust Revenues - Included are mineral severance taxes credited to the Permanent Wyoming Mineral Trust Fund (PWMTF), and revenues for the Permanent Land Fund accounts (the Common School account, the University account, and the Agriculture college account). These revenues represent only the amounts deposited into the corpus of these three inviolate accounts. These revenues are derived primarily from state mineral royalties and proceeds from the sale of lands. They do not represent investment income or income from surface operations. That income is presented in the "Investment Income" column and the "Other Expendable Trust Revenues" column.

Note that beginning in 1994, up to \$8 million in state mineral royalties per year which had been counted in this category from 1978 to 1993, are presented in the column 3, "K-12 Property Taxes".

Other Special Revenue Fund Revenues - Included are all special revenue fund revenues not included in any of the other categories in this report. The major sources for this category are license and permitting fees, certain fines and forfeitures, charges for sales and services, and non-state matching revenues for all state agencies, boards and commissions. Note that due to changes in accounting systems and methods over the twenty-year period, some accounts formerly classified as trust and agency accounts may now be classified as special revenue. Again, comparisons over time may not be precise.

Other Expendable Trust Fund Revenues - Included here are all revenues and non-investment income to the expendable Permanent Land accounts plus miscellaneous expendable trust accounts. Just as with the special revenue fund revenues, changes in accounting systems and methods over the last twenty years may have resulted in some of these accounts being classified differently over time. Data comparisons over time may not be completely consistent.

Other Enterprise Fund Revenues - This includes enterprise fund data that is not presented elsewhere in the report. It includes small "canteen" funds at the institutions, and the Wyoming health insurance pool fund.

Type 2 - Earmarked Revenues.

Type 2 - Earmarked Revenues are presented in summary on Chart 2R (p.29), and as individual components on Charts 3R, 4R and 5R (pp.33-35). These revenues are earmarked for distribution for various purposes in accordance with state statute, but not for general state revenue purposes. The criteria of Type 1 - Dedicated revenues do not apply to these revenues. The legislature is largely free to enact laws to redirect these revenues as it determines. Generally, the revenues in this category are portions of mineral severance tax revenue, other excise tax revenue, and federal mineral royalties. These individual sources of revenue have been combined to reflect the five major recipients of Type 2 - Earmarked Revenues as follows:

Water Accounts I & II - These are the portions of mineral severance taxes to the water development accounts only. Account I is basically for new development, while Account II is for rehabilitation of existing water projects. Investment income related to these accounts is included in Type 1 - Dedicated Revenues but is technically earmarked by statute.

Transportation - This represents portions of mineral severance taxes and federal mineral royalties (including any coal lease bonus payments) that flow to the highway fund or to the highway fund for county roads (industrial road program). This does not include any fuel tax revenues for highways or for other purposes such as for leaking underground storage tanks (LUST). All fuels tax revenue, interest income and federal revenues are included as Type 1 revenues above.

Local Governments - This includes portions of mineral severance tax revenues as well as revenues from severance taxes for local governments that have expired, e.g. for capital facilities. Also included are federal mineral royalties (including any coal lease bonuses) which have been earmarked for local governments, including distributions to the local government capital construction account and to the state aid for county roads accounts. This contains the local government share of state sales and use tax revenues, of cigarette taxes, and of fire insurance premium taxes.

Education - This includes portions of mineral severance taxes (including revenues from expired taxes) and federal mineral royalties (including any coal lease bonuses) which have been earmarked for the school foundation program

account, the school foundation capital construction account, the University of Wyoming, or the community colleges.

Other Severance - This is a "leftover" category to account for unique situations. This includes mineral severance taxes diverted to the workers' compensation fund in 1987 and 1988 and to the GNMA account in 1990. Amounts included for 1992 through 1998 are the amounts that flow to the LUST accounts.

Type 3 - Discretionary Revenues.

These revenues are either those that are deposited into the General Fund or other funds and accounts all of which have been traditionally used to fund the general operations of Wyoming government. These funds are widely discretionary and are used typically to fund "the budget". These funds are neither dedicated (Type 1) nor earmarked (Type 2). Distribution of these funds is not automatic, but subject to legislative decision making each year.
(See Chart 6R, p.38)

General Fund - The sources of revenue to the general fund include three major components: sales and use taxes, mineral severance taxes, and investment income. "All other sources" have been combined into a fourth component.

Budget Reserve Account - This column contains the mineral severance tax revenue that has flowed to the budget reserve account over the twenty-year period. These taxes were in addition to severance taxes required to be deposited in the PWMTF under the Constitution and have been "diverted" for other purposes beginning in FY 1987. Also contained in this column are approximately \$11.5 million in protested insurance premium tax revenues which were made available in 1994, and approximately \$5 million per year for 1993 and 1994 in coal severance tax penalty and interest on pre-1990 production. The only other source of revenue to the Budget Reserve Account is transfers from other funds (general fund reversions for example), and those transfers are not included as revenue in this chart. To add General Fund transfers and reversions to the Budget Reserve Account would be double-counting these funds as revenues. They are counted as funds available in the state fiscal profile, but in this revenue analysis, they are counted in the General Fund column.

Legislative Royalty Income - This includes revenue from coal lease bonuses and a portion of the distribution of federal

mineral royalties in excess of \$200 million annually which flowed to the legislative royalty impact assistance account. These are the only sources of revenue to this account.

One-Time Sources - For 1989, this includes amounts made available from the GNMA investments. These revenues were from investments in government securities, which were unavailable for distribution for several years, awaiting the outcome of a bankruptcy case. For 1993, this includes revenues recognized from the change from cash to accrual accounting, the so-called GAAP I funds. These amounts are the funds that were captured and not allowed to flow to the statutorily designated accounts. For 1994, the amounts are from a federal mineral (coal) royalty settlement (\$36 million) and from the diversion of monies from the Carey Land Act fund. These funds were deposited into the Revised Emergency Budget Balancing Account (REBBA). For 1996, the amounts were from the change from cash to accrual accounting for investment income, the so-called GAAP II funds. These also represent the funds diverted and not allowed to otherwise flow to certain statutorily designated accounts. SRA (Statutory Reserve Account) and PDRA (Policy Development Reserve Account) - Note that these accounts are not separately listed in any of the charts. All of the funding diverted to these accounts was originally from one of the one-time sources mentioned above, either GAAP I, GAAP II, or REBBA. As such, profiling revenue to these accounts would be double counting.

Observations

1. Over the past 20 years, for the current biennium, and likely for the future, the proportion of these three revenue types has remained and will likely remain generally the same:

Type 1 (Dedicated) -	52.5% (+/-3.8%)
Type 2 (Earmarked) -	21.5% (+/-3.7%)
Type 3 (Discretionary)-	26.0% (+/-2.4%)

Thus, Type 1 (Dedicated) and Type 2 (Earmarked) revenues historically comprise roughly 74% of total state revenues. Type 3-Discretionary revenues, consisting primarily of the General Fund and other reserve funds, historically comprise only about 26% of state revenues.

(See Charts 7R (p.41) and 7R-C (p.44))

2. Total state revenues in dollars have of course increased over the last 20 years. When adjusted for inflation though, total state revenue levels have been relatively flat.

Note too that in Chart 7R-A, the "boom" and "bust" are depicted in part as reflected in state revenues. Beginning with the 1979-1980 biennium, revenues soared through the 1985-1986 biennium followed by a steep drop in the next biennium. During that 2 year period, the state's assessed valuation decreased by about 25%.
(See Charts 7R-A and 7R-B; pp.42-43)

3. For the current (1999-2000) biennium, the funding levels for each revenue type are roughly as follows:

Type 1 (Dedicated) -	\$2.4 billion	(57.0%)
Type 2 (Earmarked) -	\$0.76 billion	(18.3%)
Type 3 (Discretionary) -	\$1.1 billion	(24.7%)

(See Chart 8R; p.45)

4. Type 1 (Dedicated) and Type 2 (Earmarked) revenues historically comprise roughly 74% of total state revenues and more than 75% for the 1999-2000 biennium. Those revenues will be expended entirely and exclusively for the purposes for which they were dedicated or earmarked in accordance with federal law, the Wyoming Constitution, or state law. The Legislature has limited discretion in deciding where to spend most, but not all, of these funds.

Historic trends of Type 1 and Type 2 Revenues should be viewed with care. The trends reflect the amount of revenue available. These are automatically dedicated and earmarked for expenditure as specified. They do not reflect decisions by the Legislature and Governor through the state budget process to expend the revenues for a particular purpose.

5. Within Type 2-Earmarked revenues, historically the proportion of revenues has been distributed among the recipients approximately as follows:

Type 2-Earmarked (approx)

Education -	30%
Local governments -	40%
Transportation -	22%
Water dev. -	6%
Other -	2%

(See Graph 2R-C; p.32)

Under the education component of the Type 2-Earmarked revenues, historically 85+% flows to K-12 education purposes. (See Graph 5R-A; p.36)

6. Type 3-Discretionary revenues have historically accounted for the remaining 26% of state revenues. For the current biennium, the level has decreased to 24.7%. These revenues necessarily fund the remainder of state government expenditures.

(See Chart 8R; p.45)

- An index of state revenues and Types is attached (A-6; p.46).

7. The chart on p. 47 illustrates how state revenues flow by using actual figures of the 1997-1998 biennium. It also reflects that a significant portion of the Type 3-Discretionary revenues have limited availability due to shortfalls in K-12 education funding and federal requirements on state spending, such as matching requirements and maintenance of effort.

The same point is made for the chart on p. 48 but for the 1999-2000 biennium. There only 16.1% of total revenues are truly free from restrictions.

8. Note that all references to the 1999-2000 biennium are estimates.

ATTACHMENT C-1

Significant Statutory Changes Affecting State Taxation

1977 through 1999

Year	Chapter	Explanation
1977	189	<ul style="list-style-type: none"> • Increased severance tax on coal by 1.6% for CY 77 & 2% for CY 78 until \$160M collected¹; • Note: The \$160M capital facilities tax expired on 1/1/87 • Increased severance tax on coal by 1.5% for Water development account; increased severance tax on coal by 1% for highway fund; • Increased severance tax on coal by .5% to PWMTF; effective 1/1/78 (total 10.1%); • Increased severance tax on trona by 1.5% (total 5.5%); increased severance tax on uranium by 3.5% (total 5.5%)
1977	155	Increased severance tax on coal, uranium & trona by 1.5% until \$250M collected; effective 1/1/78; expired on 1/1/93
1979	37	Imposed \$.04/gallon tax on gasohol (other gas taxed @ \$.08/gallon)
1979	163	Granted homestead property tax exemption & appropriated \$10M for program
1981	9	Imposed a use tax on cigarettes of \$.08 per pack
1981	49	Increased severance tax on oil/gas by 2% (6% total); distributed to state (highway fund, PWMTF & water development account) & cities & counties
1982	74	State inheritance tax imposed
1983	173	Decreased severance tax on underground coal from 10.5% to 7.25%
1983	136	School foundation program - imposed a 12 mill state levy & 6 mill county levy (Constitutional amendment approved at the 1982 general election)
1984	70	Mass property tax reappraisal system passed - \$5M appropriated
1985	207	Imposed \$.08/gallon on special fuels & repealed compensatory fees on special fuels

¹ The first imposition of severance tax was placed upon 1969 mineral production and was collected in 1970. The severance tax rate was 1% of the value of the gross product (based upon property tax valuation). In 1974 the severance tax rate was increased to 3% for trona, coal, other fossil fuel minerals, and oil, natural gas and oil shale. In 1974 the Legislature also proposed an amendment to the Wyoming Constitution creating the Permanent Wyoming Mineral Trust Fund which was ratified by the voters in November, 1974. In 1975 the severance tax rate was increased from 3% to 4%. Source: 1978 Wyoming Annual Report Vol. II

Year	Chapter	Explanation
1985	182	Decreased severance tax on collection wells from 6% to 1.5% & exempted from property tax through 1989
1986	3	1/4 of proceeds from severance taxes (except underground coal) diverted to worker's compensation fund
1986	22	Imposed 2.5% premium tax on insurers
1987	97	Coal Equity Tax Act of 1987 - limited severance tax to \$.80/ton on high-cost coal
1987	29	Severance taxes paid on CO2 injected in oil production allowed as a credit against oil severance tax
1987	241	Granted 4% severance tax exemption for wildcat wells for 4 years (total 2%)
1988	93	Allowed deduction for return on investment for mineral production on certain capital investments for transportation facilities or processing plants
1988	73	Implemented 3 tier system for fair market value in assessing property for property tax (minerals, industrial, & all other)
1988	72	Diversion of severance taxes from PWMTF to budget reserve account (BRA) begun
1989	45	Increased cigarette taxes by \$.002 to .006 per cigarette (\$.12 per pack)
1989	35	Extended Coal Tax Equity Act to 1991 (3/31/91)
1989	172	Exempted coal used on processing from property & severance taxes
1989	287	Exemption for tertiary oil production from projects certified by Oil & Gas Commn.; granted a severance tax exemption up to 1/2 of wages paid to resident workers or total amount of 2% severance tax
1989	106	Continued \$.04/gallon tax on gasohol 7/1/89 through 7/1/93
1989	36	Created municipal rainy day account funded with excess oil & gas severance tax & federal mineral royalties
1989	57	Repealed deduction allowed for return on investment for mineral production (on transportation facilities & processing plants)
1989	120	Continued budget reserve account diversion of severance taxes through 6/30/91
1989	144	Decreased severance tax on uranium from 4% to 2%
1989	270	Imposed a \$.01/gallon tax for L.U.S.T.
1990	22	Extended 1.5% severance tax on collection wells to 1/1/95 (in lieu of 6% rate)

Year	Chapter	Explanation
1990	93	Eliminated ton/mile tax and implemented commercial vehicle fees
1990	13	Budget reserve account diversion extended through 6/30/92
1991	13	Coal Tax Equity Act extended through 3/31/95
1991	149	Reduced insurance premium tax rate from 2.5% to .75% (retaliatory provision for other states remained in effect)
1991	237	Extension of 2% severance tax exemption on tertiary production to 12/31/94 (4% total)
1991	239	Exempted specified underground mining equipment from property tax
1991	42	Exempted uranium from 4% severance tax as long as price under \$17/pound
1991	139	Extended 4% severance tax exemption on wildcat wells to 12/31/94 (2% total)
1992	4	Reallocated 30% of revenues from 1.5% severance tax on coal & trona to public school foundation program account
1992	77	Extended gasohol tax reduction \$.08/gallon to \$.04/gallon to 2000
1993	167	Exempted oil & gas from 4% severance tax if well drilled (new production) between 93 to 96 (cap on oil \$25/bbl; gas \$2.75/mcf); same reduction for workover or completion for 24 months but no cap on price (2% total)
1993	107	Modified computation of school local property taxes/local resources (comparing resources before 7/1/91 & basing foundation program amount on before/after amounts)
1993	223	Added \$.01 sales/use tax & changed tax distribution from 2/3 to 72% to general fund
1994	13	Gas tax distribution 13.5% to counties; 14% to state-county road account in highway fund; 15% for cities & towns; 57.5% to state highway fund
1994	85	Tax credit voucher program for ethanol up to \$2M per year until 7/1/2000
1994	6	Diversion of severance taxes from PWMTF to budget reserve account (BRA) extended to 6/30/96
1995	141	Granted 50% credit against natural gas severance tax (2%) for research projects to enhance natural gas production (2% total)
1995	48	Coal Tax Equity Act extended through 3/15/99
1995	55	Exempted oil produced from previously shut-in wells from all but 1.5% severance tax for PWMTF

Year	Chapter	Explanation
1995	59	Diversion of severance taxes from PWMTF to budget reserve account (BRA) extended to 6/30/2000
1995	76	Extended tertiary production 2% exemption through 12/31/96 (4% total)
1995	104	Extended uranium severance tax exemption through 1/1/99; lowered spot price for qualifying uranium from \$17 to \$14/pound
1995	149	Extended 4th cent sales/use tax through 6/30/98
1995	74	Extended 1.5% severance tax for collection wells through 1/1/99 (in lieu of 6% rate)
1995	75	Extended reduced severance tax rate on oil/gas wells drilled (new production) through 3/31/98
1997	171	Extended 4% severance tax exemption for oil/gas produced from workovers & recompletions to 2001 (2% total)
1997	72	Extended tertiary production 2% exemption to March, 2001 (4% total)
1997 Spec. Sess.	3	Local option 6 mills for schools to expire as of 1998 (affects amount of state funding needed for schools)
1997 Spec. Sess.	1	Extended 4th cent sales/use tax through 6/30/2002
1998	16	Specified collection well property tax exemption applied to production for CY 94
1998	108	Increased fuel tax to \$.13/gallon on gas & diesel
1998	47	Extended reduced severance tax rate on oil/gas wells drilled (new production) through 3/31/2003 (2% total)
1998	48	Extended uranium tax severance tax exemption through 3/31/2003
1999	186	Extended ethanol tax credit program from 7/1/2000 to 7/1/2003
1999	64	Coal Equity Tax Act extended through 12/31/2003; lowered maximum severance tax per ton from \$.80 to \$.60
1999	132	Imposed a limitation on sales/use tax on transportable home to be based on 70% of the sales price of the home
1999	165	Imposed sales/use tax on price of cigarettes (removed exemption)
1999	155	Imposed sales/use tax on price of tobacco products (cigars, snuff & other tobacco products)

Year	Chapter	Explanation
1999	168	Oil Producers Recovery Act - reduced severance tax on oil from 6% to 4% (if oil price exceeds \$20/barrel the tax returns to 6%); granted sales tax exemption for sales of power to person engaged in oil extraction
1999	121	Diversion of severance taxes from PWMTF to budget reserve account (BRA) extended to 6/30/2004

Type 1 - Dedicated Revenues

	1	2	3	4	5	6	7	8	9	10	11	12	13
Biennium	All Federal Funds	Investment Income	K-12 Property Taxes	Fuel Tax, Mot Vho Fees & Other DOT	Game & Fish Revenues	Workers' Comp. Premium	Unemployment Insurance Prem.	Liquor Sales	Other Nonexpend. Trust Revenues	Other Special Rev. Fund Revenues	Other Expendable Trust Revenues	Other Enterprise Fund Revenues	Totals
1979-80	\$275,228,981	\$82,410,300	\$42,573,070	\$132,566,140	\$17,422,317	\$49,189,208	\$31,213,208	\$53,811,548	\$120,900,183	\$5,608,719	\$18,080,163	\$830,155	\$807,833,572
1981-82	\$304,881,938	\$117,200,549	\$61,808,883	\$138,389,988	\$28,387,882	\$70,916,535	\$39,745,805	\$66,541,480	\$291,813,627	\$10,559,780	\$20,130,260	\$1,018,382	\$1,151,173,577
1983-84	\$333,548,097	\$151,120,987	\$106,419,511	\$140,878,712	\$34,244,231	\$58,834,740	\$88,861,717	\$61,553,824	\$383,139,737	\$12,068,030	\$39,845,515	\$1,108,484	\$1,461,378,265
1985-88	\$442,887,880	\$212,488,387	\$254,879,584	\$157,729,087	\$38,495,865	\$72,829,208	\$101,079,762	\$80,210,594	\$384,746,138	\$18,046,420	\$39,948,977	\$1,235,654	\$1,794,255,384
1987-88	\$487,871,558	\$184,688,761	\$204,554,384	\$164,071,146	\$32,768,801	\$55,887,058	\$78,983,445	\$54,484,102	\$189,165,211	\$9,559,620	\$34,120,809	\$1,161,188	\$1,484,772,257
1989-90	\$539,221,307	\$195,373,328	\$179,535,887	\$162,237,389	\$31,559,958	\$74,810,891	\$82,487,824	\$51,880,283	\$172,883,569	\$16,316,524	\$37,720,819	\$2,170,807	\$1,650,388,487
1991-92	\$705,151,358	\$150,918,588	\$196,947,978	\$148,127,889	\$40,585,489	\$127,336,870	\$70,288,024	\$59,915,143	\$177,450,751	\$31,254,156	\$37,720,819	\$5,562,764	\$1,989,896,112
1993-94	\$821,780,284	\$221,205,187	\$189,876,045	\$154,898,187	\$50,078,121	\$161,874,276	\$64,056,130	\$83,014,698	\$167,472,123	\$41,089,088	\$9,498,157	\$8,100,389	\$2,082,117,053
1995-98	\$881,811,178	\$195,417,855	\$208,415,852	\$172,578,935	\$41,846,754	\$248,339,443	\$53,328,328	\$85,017,518	\$140,097,547	\$54,046,844	\$11,342,838	\$9,028,540	\$2,297,208,822
1997-98	\$973,395,387	\$221,582,617	\$230,037,313	\$209,846,788	\$44,908,938	\$240,113,319	\$89,288,727	\$71,828,513	\$172,006,138	\$55,417,546	\$10,555,300	\$9,885,342	\$2,372,441,873
1999-00 Estimate	\$1,002,458,786	\$242,983,266	\$234,281,277	\$247,544,718	\$47,328,088	\$228,587,844	\$81,489,880	\$73,850,150	\$157,002,082				

Federal - Total federal revenues to all agencies and programs, including DOT, G&F etc. These do not include federal revenues which flow directly to local governments.

Investment Income - All investment income except that which flows to the general fund.

Note: There are no retirement funds investment earnings included. The figures for 1998 do not include one-time amounts made available by switching from a cash to accrual basis.

K-12 Property taxes - Includes any statewide mill levies, any recapture payments, and state's share of auto registration and car company taxes, and beginning in FY 94 state royalties to the school capcon acct.

WC & UI Premiums - This is premium tax paid by employers only, it does not include interest income.

Fuel tax, motor vehicle fees, and other highway fund revenues - State's share of fuelis taxes and motor vehicle fees and other revenues, does not include federal money or mineral revenues.

Note: Data from 1988 to 1989 was provided by the State DOT, data prior to 1987 was taken from State Auditors reports and may not be totally consistent with the data presented for 1987 to 1989.

Game & Fish Revenues - This is all revenue to G & F except federal revenue and interest income.

Note: Data from 1988 to 1991 was provided by the State G & F Dept., data prior to 1981 was taken from State Auditors reports and may not be totally consistent with the data presented for 1981 to 1988.

Liquor Sales - This is the revenue raised from the re-sale of liquor. From this figure administration costs and costs of goods are subtracted to reach profit.

Other Non-expendable Trust fund revenues - These are severance taxes to the PWWMTF, and state mineral royalties and other revenues for the Inviolate permanent land funds.

Other Special Rev. funds - These are all special revenue funds not otherwise itemized above.

Other Expendable Trust fund revenues - These are all expendable trust fund revenues not otherwise itemized above, including state royalty revenues and state leasing income for the expendable permanent land funds.

Other Enterprise fund revenues - These are all enterprise fund revenues not otherwise itemized above.

Type 2 - Earmarked Revenues

Mineral Severance Taxes, Federal Mineral Royalties, Coal Lease Bonuses, and Other Taxes to Locals

Biennium	1		2		3		4		5		6
	Water Accounts I & II	Transportation	Local Governments	Education	Other Severance	Totals					
1979-80	\$11,968,452	\$64,874,171	\$137,439,487	\$92,970,107	\$0	\$307,252,216					
1981-82	\$30,369,702	\$135,779,174	\$251,130,296	\$155,367,282	\$0	\$572,646,454					
1983-84	\$47,733,356	\$194,504,997	\$311,573,140	\$190,516,464	\$0	\$744,327,957					
1985-86	\$50,867,783	\$219,439,554	\$330,814,163	\$230,210,676	\$0	\$831,332,176					
1987-88	\$39,135,967	\$152,757,573	\$222,663,667	\$165,370,153	\$34,660,302	\$614,587,663					
1989-90	\$39,205,604	\$167,364,216	\$223,828,582	\$200,948,831	\$3,309,044	\$634,656,278					
1991-92	\$45,226,438	\$171,686,940	\$269,414,179	\$232,624,096	\$2,904,537	\$721,856,189					
1993-94	\$39,713,162	\$171,651,332	\$284,806,178	\$214,304,781	\$14,670,775	\$725,146,227					
1995-96	\$38,734,971	\$136,752,443	\$285,704,719	\$204,223,105	\$14,960,377	\$680,375,614					
1997-98	\$44,005,976	\$149,749,995	\$310,331,506	\$226,677,438	\$18,603,760	\$749,368,675					
1999-00 Estimate	\$41,000,000	\$121,000,000	\$303,042,477	\$280,700,000	\$18,000,000	\$763,742,477					

Column 1 is composed of mineral severance taxes only.

Column 2 is composed of mineral severance taxes and federal mineral royalties to the highway fund, and federal mineral royalties to the highway fund for county roads, and does not include any LUST monies.

Column 3 is composed of mineral severance taxes and federal mineral royalties distributions to cities & towns, counties, local government capital construction, state aid to county roads, and "others." "Others" consists of local government's share of 3% and 4% statewide sales & use taxes, cigarette taxes, and fire insurance premium taxes.

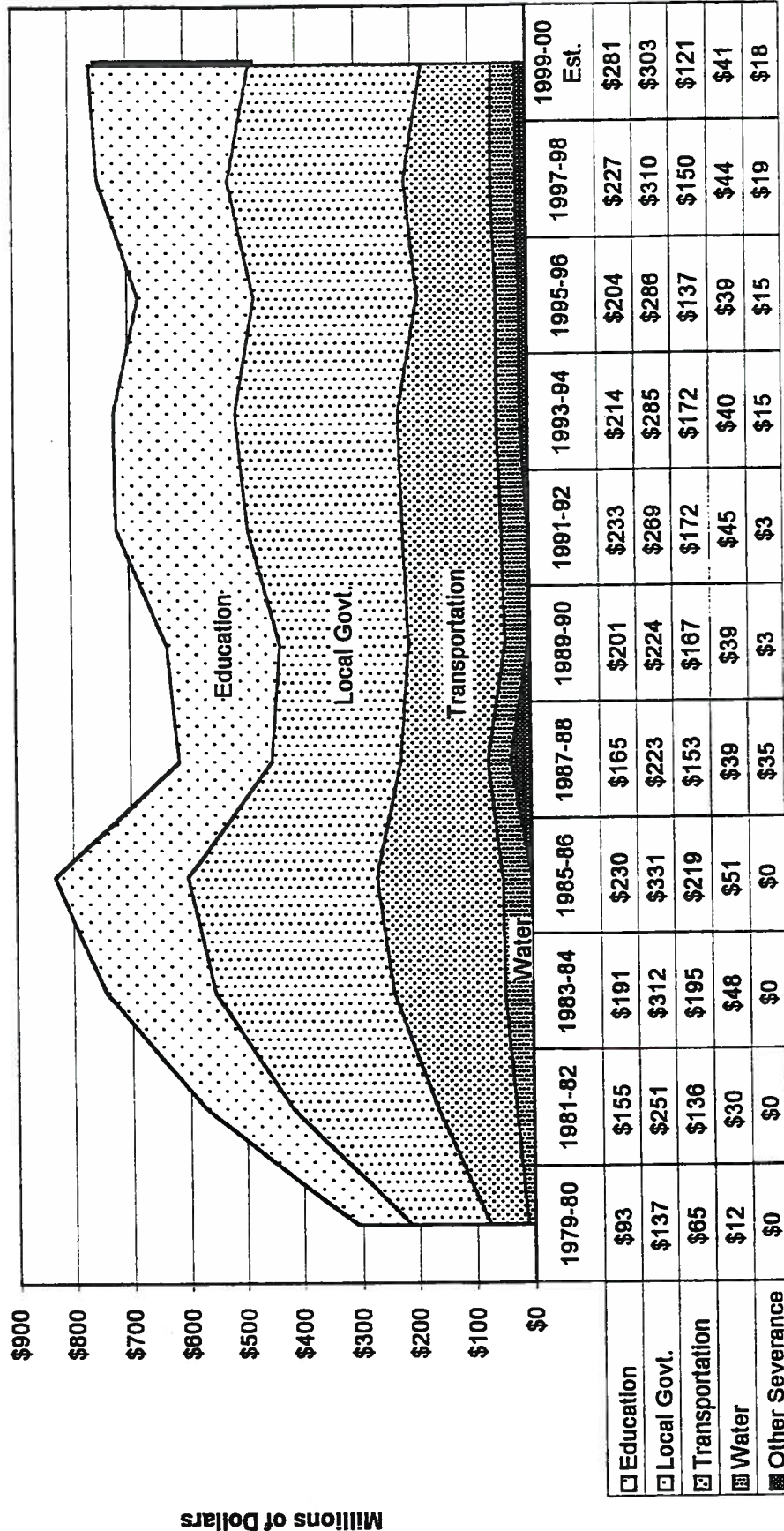
Column 4 is composed of mineral severance taxes and federal mineral royalties to the school foundation program account and the school foundation program capital construction account, the University of Wyoming, and the community colleges.

Column 5 includes Workers' Comp funds in 1987 and 1988, GNMA in 1980, and LUST accounts beginning in 1992.

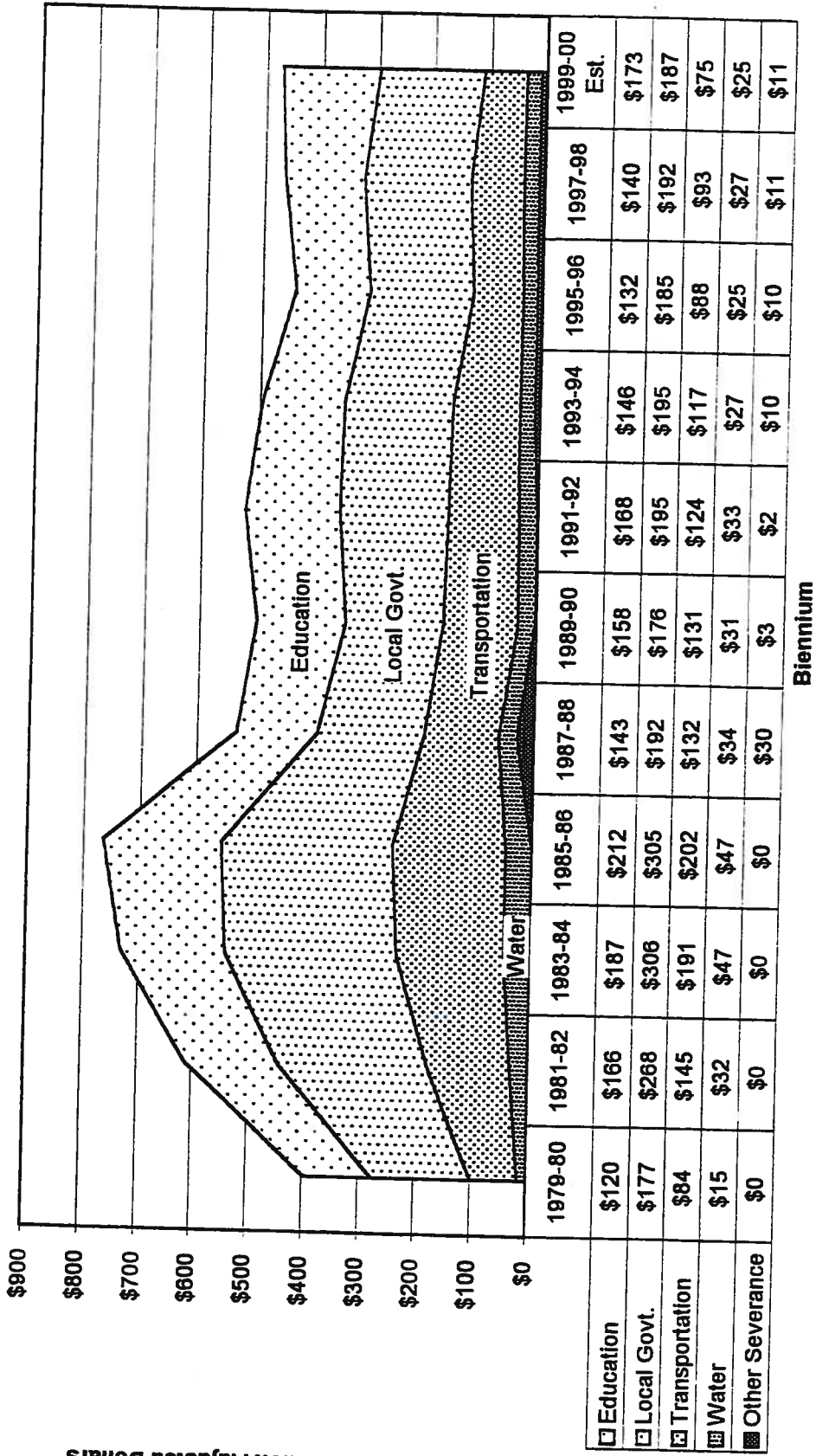
Note: 1994 distributions include any GAAP I distributions that were made.

Graph 2R - A

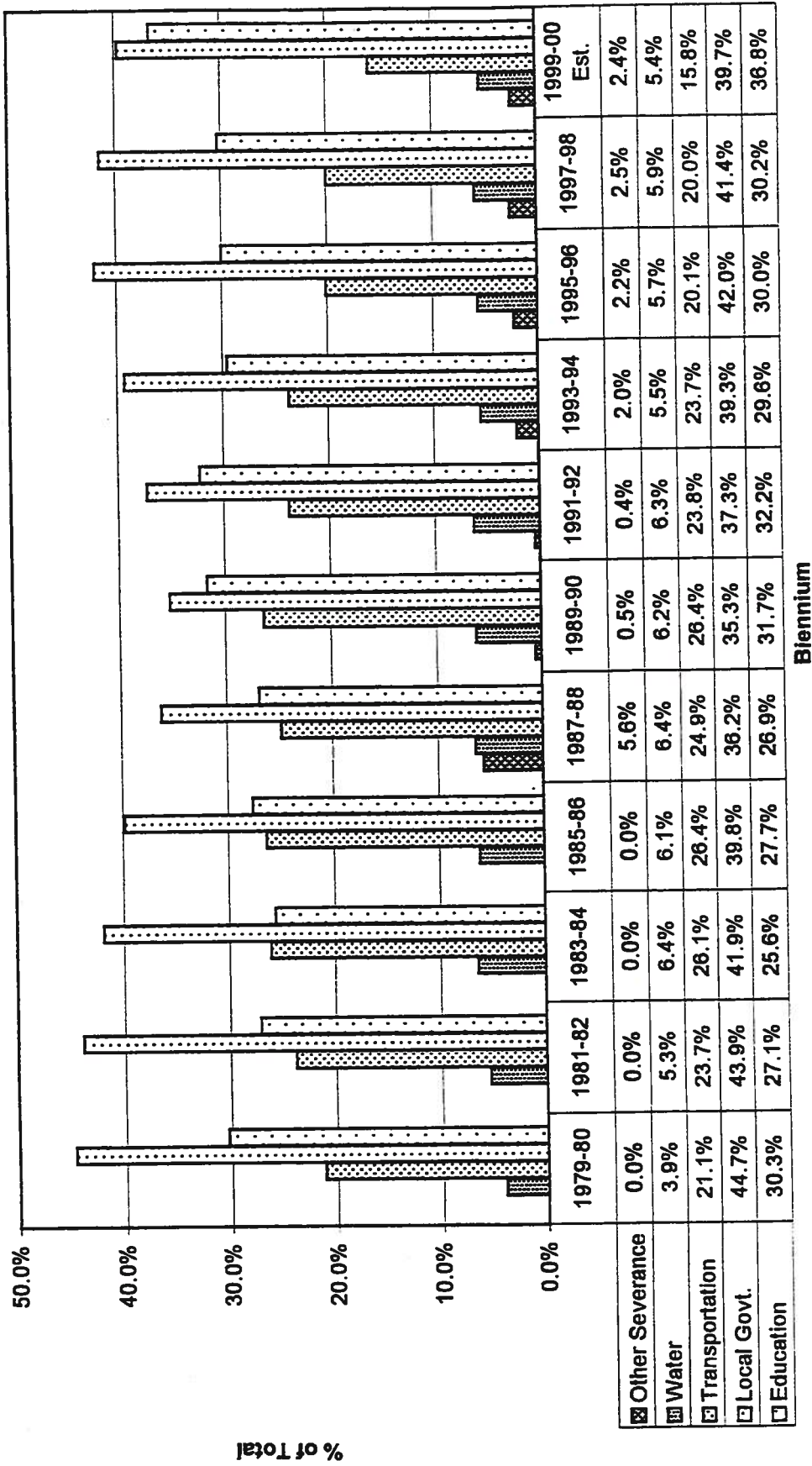
State
Type 2 "Earmarked" Revenues
Actual Dollars in Millions
FY 1979/80 - 1999/00



State
Type 2 "Earmarked" Revenues
Inflation Adjusted - In Millions of 1982-84 Dollars (CPI-U)
FY 1979/80 - 1999/00



State
Type 2 "Earmarked" Revenues - Component Percentages
FY 1979/80 - 1999/00



Type 2 - Earmarked Revenues - Transportation

Biennium	Severance Taxes	FMRs to Highway Fund		FMRs to Highway Fund County Roads		GAAP Distributions	Total
		Fund		Highway Fund	County Roads		
1979-80	\$13,036,708	\$48,084,624		\$3,752,838		\$0	\$64,874,171
1981-82	\$60,412,080	\$69,417,060		\$5,950,034		\$0	\$135,779,174
1983-84	\$102,460,357	\$84,777,958		\$7,266,682		\$0	\$194,504,997
1985-86	\$107,500,915	\$103,101,378		\$8,837,261		\$0	\$219,439,554
1987-88	\$73,174,196	\$73,300,479		\$6,282,898		\$0	\$152,757,573
1989-90	\$69,407,525	\$90,223,268		\$7,733,423		\$0	\$167,364,216
1991-92	\$69,062,766	\$93,657,013		\$8,967,161		\$0	\$171,686,940
1993-94	\$39,847,929	\$91,361,735		\$7,831,006		\$32,610,662	\$171,651,332
1995-96	\$17,071,769	\$111,387,816		\$8,292,858		\$0	\$136,752,443
1997-98	\$14,689,945	\$125,987,925		\$9,072,126		\$0	\$149,749,995
1999-00 Estimate	\$0	\$112,000,000		\$9,000,000		\$0	\$121,000,000

Type 2 - Earmarked Revenues - Local Government

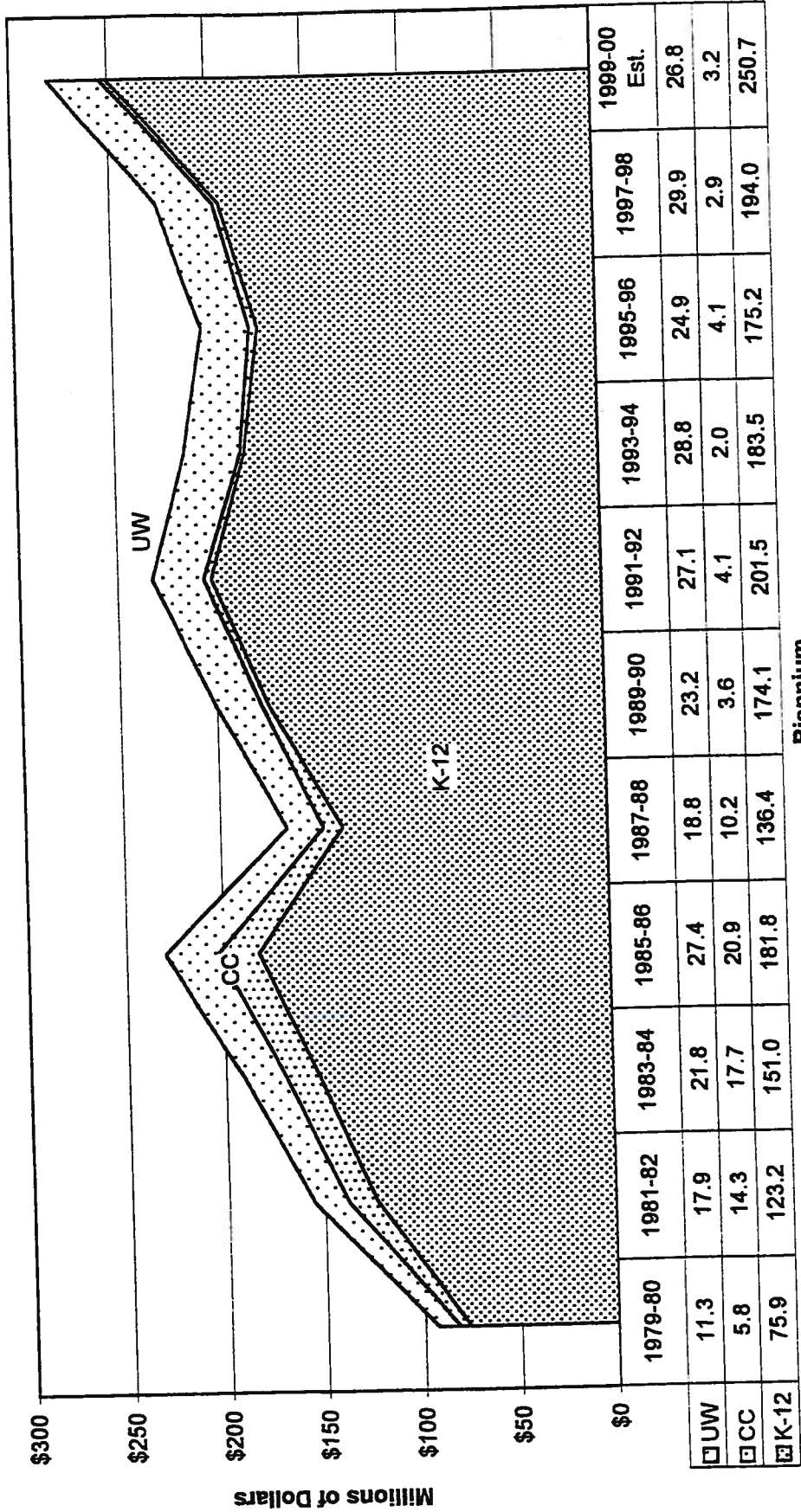
Biennium	Severance Taxes to:		CTC		State Aid to		FMRs to:		CTC		Counties		State Aid to		Sales & Use		Cigarette		Volunteer		GAAP		Total	
	Cities & Towns	Counties	Cap Con	County Roads	Others	Cities & Towns	Cap Con	County Roads	Counties	County Roads	Taxes	Contributions	Distributions	Taxes	Contributions	Distributions	Contributions	Distributions	Contributions	Distributions	Contributions	Distributions		
1979-80	\$0	\$0	\$0	\$0	\$12,743,983	\$12,509,480	\$16,282,297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$88,704,282	\$8,483,226	\$736,260	\$0	\$137,439,487	\$0	\$0	\$0	\$0	
1981-82	\$30,128,287	\$10,042,762	\$0	\$0	\$31,051,296	\$19,833,448	\$28,070,877	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,976,388	\$7,131,234	\$897,046	\$0	\$251,130,296	\$0	\$0	\$0	\$0	
1983-84	\$64,381,381	\$21,453,794	\$0	\$0	\$40,508,923	\$24,222,274	\$43,449,371	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$110,301,592	\$6,393,866	\$883,939	\$0	\$311,673,140	\$0	\$0	\$0	\$0	
1985-86	\$85,793,619	\$21,931,206	\$0	\$0	\$49,347,554	\$29,457,537	\$37,180,428	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$111,320,913	\$5,921,377	\$1,024,272	\$0	\$330,814,163	\$0	\$0	\$0	\$0	
1987-88	\$35,299,241	\$11,768,414	\$0	\$0	\$22,076,008	\$20,942,794	\$27,358,814	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$92,132,240	\$5,140,231	\$1,867,030	\$0	\$222,663,667	\$0	\$0	\$0	\$0	
1989-90	\$36,925,589	\$12,308,523	\$0	\$0	\$0	\$32,222,588	\$17,739,201	\$22,148,173	\$2,480,878	\$18,927,024	\$106,617,325	\$6,494,853	\$1,498,920	\$0	\$106,617,325	\$8,319,245	\$1,585,191	\$0	\$269,414,179	\$0	\$0	\$0	\$0	
1991-92	\$38,031,100	\$12,877,033	\$0	\$0	\$0	\$37,363,170	\$20,833,281	\$2,176,279	\$622,242	\$7,831,008	\$128,207,276	\$8,282,563	\$2,542,921	\$0	\$128,207,276	\$8,282,563	\$3,662,932	\$17,771,276	\$284,806,178	\$0	\$0	\$0	\$0	
1993-94	\$34,574,394	\$11,524,798	\$0	\$0	\$0	\$32,628,181	\$31,084,062	\$32,469,603	\$0	\$1,680,072	\$136,410,878	\$8,820,429	\$3,662,932	\$0	\$136,410,878	\$8,820,429	\$2,142,003	\$0	\$285,704,719	\$0	\$0	\$0	\$0	
1995-96	\$28,749,492	\$10,897,807	\$6,443,888	\$6,412,788	\$0	\$34,653,576	\$32,469,603	\$25,979,285	\$0	\$0	\$171,658,288	\$8,642,191	\$2,142,003	\$0	\$171,658,288	\$8,642,191	\$2,142,003	\$0	\$310,331,506	\$0	\$0	\$0	\$0	
1997-98	\$32,880,946	\$13,520,581	\$8,628,094	\$9,072,126	\$0	\$37,797,985	\$25,979,285	\$27,000,000	\$0	\$0	\$171,658,288	\$8,642,191	\$2,142,003	\$0	\$171,658,288	\$8,642,191	\$2,142,003	\$0	\$303,042,477	\$0	\$0	\$0	\$0	
1999-00 Estimate	\$23,700,000	\$10,400,000	\$13,100,000	\$8,000,000	\$0	\$37,400,000	\$27,000,000	\$27,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Type 2 - Earmarked Revenues - Education

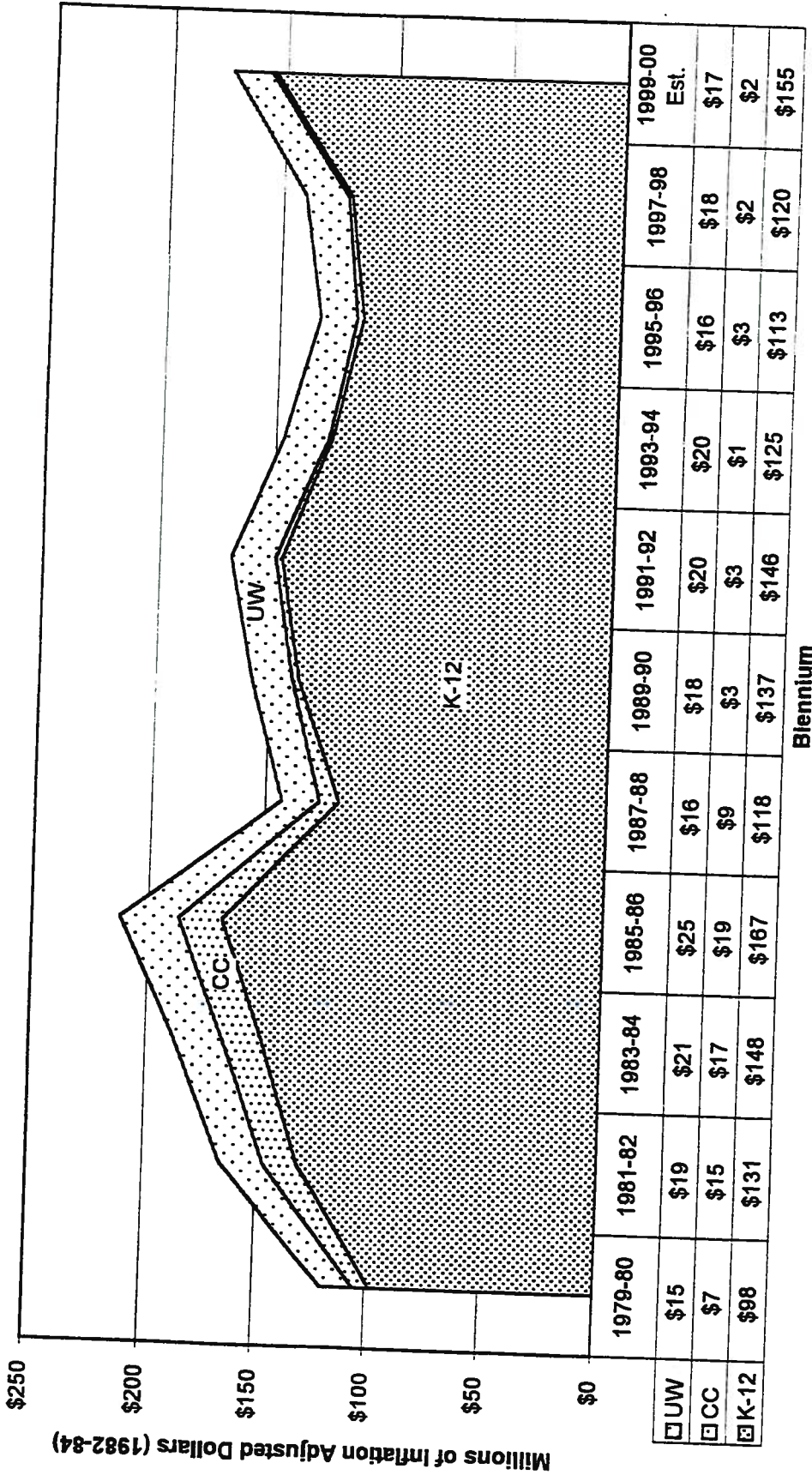
Biennium	Severance Taxes to:		FMRs to:		School District Capital Construction	Community Colleges	GAAP Distributions	Totals
	School Foundation	Community Colleges	School Foundation	University of Wyoming				
1979-80	\$5,089,900	\$1,696,634	\$62,547,298	\$11,258,513	\$8,288,425	\$4,089,336	\$0	\$92,970,107
1981-82	\$8,929,018	\$2,976,339	\$99,167,229	\$17,850,101	\$15,082,089	\$11,362,506	\$0	\$155,367,282
1983-84	\$11,481,513	\$3,827,171	\$121,111,369	\$21,800,046	\$18,408,928	\$13,887,437	\$0	\$190,516,464
1985-86	\$12,171,961	\$4,057,320	\$137,005,443	\$27,416,998	\$32,669,988	\$16,888,988	\$0	\$230,210,676
1987-88	\$10,411,873	\$3,470,624	\$115,409,041	\$18,848,695	\$10,545,353	\$6,684,567	\$0	\$165,370,153
1989-90	\$10,865,559	\$3,621,853	\$153,981,043	\$23,200,269	\$9,280,108	\$0	\$0	\$200,948,831
1991-92	\$12,195,441	\$4,065,147	\$178,546,135	\$27,056,780	\$10,760,593	\$0	\$0	\$232,624,096
1993-94	\$16,083,054	\$1,969,302	\$155,924,027	\$23,493,018	\$9,397,207	\$0	\$7,438,172	\$214,304,781
1995-96	\$133,602	\$44,534	\$165,120,021	\$24,878,575	\$9,951,430	\$4,094,944	\$0	\$204,223,105
1997-98	\$124,075	\$41,358	\$180,636,101	\$29,853,916	\$13,210,604	\$2,811,383	\$0	\$226,677,438
1999-00 Estimate	\$2,900,000	\$0	\$195,400,000	\$26,800,000	\$52,400,000	\$3,200,000	\$0	\$280,700,000

Graph 5R - A

State
 Type 2 "Earmarked" Revenues: Education
 Actual Dollars in Millions
 FY 1979/80 - 1999/00



State
Type 2 "Earmarked" Revenues: Education Portion
Inflation Adjusted - In Millions of 1982-84 Dollars (CPI-U)
FY 1979/80 - 1999/00



Type 3 - Discretionary Revenues

Chart 6R

Biennium	1		2		3		4		5		6		7		8		9
	Sales & Use Taxes	Severance Taxes	General Fund Interest Income	All Other Sources	General Fund Total	Budget Reserve Account	Other Discretionary Revenues Legislative Royalty Income	One-Time Sources	Grand Totals								
1979-80	\$219,429,576	\$71,231,491	\$42,606,423	\$87,661,730	\$420,929,220	\$0	\$0	\$0	\$420,929,220								
1981-82	\$305,888,071	\$160,763,333	\$81,096,548	\$84,284,920	\$632,032,872	\$0	\$2,845,198	\$0	\$634,878,070								
1983-84	\$250,823,724	\$220,146,599	\$162,300,732	\$99,914,017	\$733,185,072	\$0	\$11,960,415	\$0	\$745,145,487								
1985-86	\$247,728,391	\$222,234,970	\$209,228,147	\$109,797,009	\$788,986,517	\$0	\$7,722,889	\$0	\$796,709,406								
1987-88	\$205,612,395	\$135,168,044	\$188,285,596	\$110,873,765	\$639,939,800	\$6,469,604	\$6,413,820	\$0	\$652,823,224								
1989-90	\$201,960,362	\$139,232,319	\$224,202,030	\$97,208,685	\$662,603,396	\$59,990,367	\$553,816	\$43,246,466	\$766,394,045								
1991-92	\$227,772,918	\$146,602,750	\$280,945,181	\$113,520,565	\$768,841,414	\$76,176,396	\$2,314,158	\$0	\$847,331,968								
1993-94	\$312,803,125	\$131,050,025	\$222,853,818	\$145,211,684	\$791,318,652	\$84,045,168	\$19,661,817	\$179,519,168	\$1,074,544,805								
1995-96	\$418,695,995	\$118,127,750	\$226,487,131	\$126,230,053	\$889,540,929	\$56,318,690	\$16,379,774	\$35,649,357	\$997,888,750								
1997-98	\$449,909,489	\$140,464,016	\$241,097,168	\$137,604,805	\$969,075,478	\$66,649,935	\$32,833,340	\$0	\$1,068,558,753								
1999-00 Estimate	\$492,500,000	\$110,300,000	\$247,500,000	\$122,800,000	\$973,100,000	\$54,300,000	\$0	\$0	\$1,027,400,000								

Columns 1-5 are General Fund revenues by major component, and total.

Column 6 is Budget Reserve Account revenue, which consists primarily of PWMTF statutory diversion of mineral severance taxes. This column also contains a onetime amount of \$11.5 Million in protested insurance premium taxes in 1994 and approximately \$5 Million per year of coal severance tax penalty and interest on pre-1990 production in 1993 and 1994.

Column 7 is Federal Mineral Royalties including Coal Lease Bonuses.

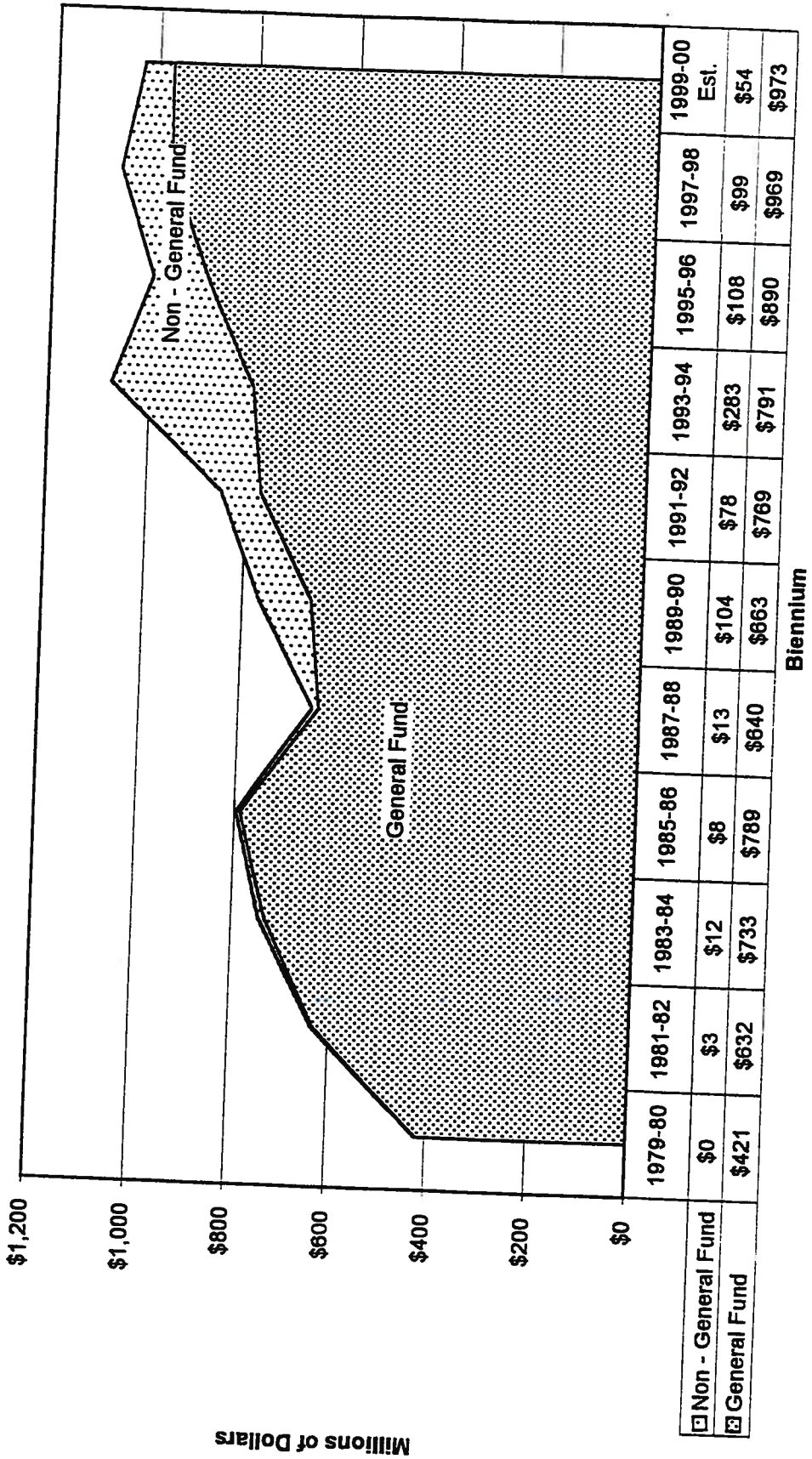
Column 8 is One-time Sources including:

- 1989 - GNMA Interest which was earned on investments but could not be expended until bankruptcy proceedings were finalized.
- 1993 - GAAP I accrual amounts which were captured and not distributed statutorily.
- 1994 - REBBA was established and funded with one-time FMR settlement of \$36 Million and \$2.7 Million from the Carey Land Act fund.
- 1994 - One Time monies also include inheritance tax of \$20.6 Million.
- 1998 - GAAP II interest accrual amounts are captured where they are not distributed according to statutes and diverted to REBBA.

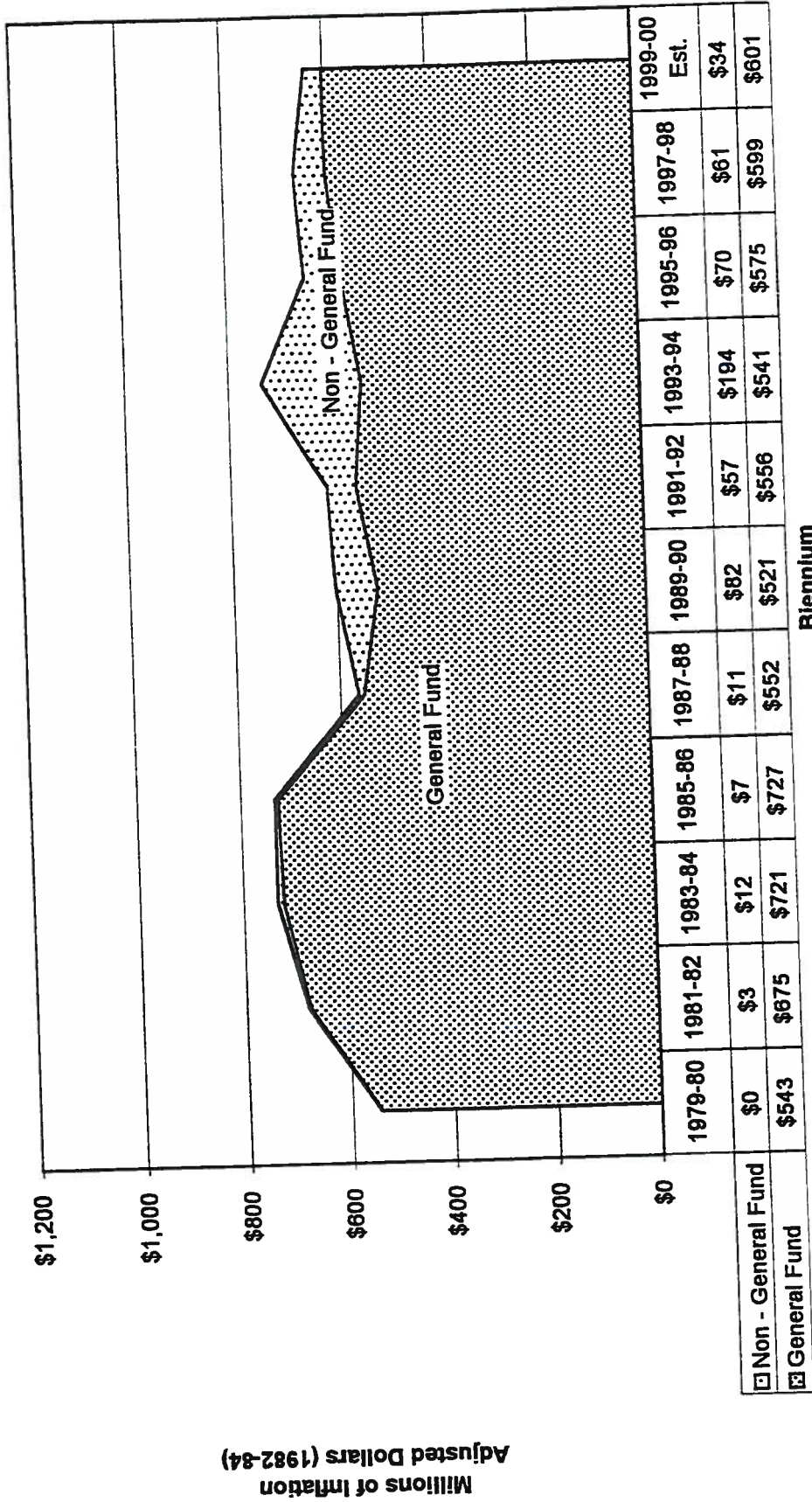
Note: SRA and PDRA accounts were funded with transfers from GAAP I & II or REBBA.

1999-00 estimates take into account legislative changes made during the 1999 General Session, specifically HB 274.

State
Type 3 "Discretionary" Revenues: General Fund and Non-General Fund
Actual Dollars in Millions
FY 1979/80 - 1999/00



State
 Type 3 "Discretionary" Revenues: General Fund and Non-General Fund
 Inflation Adjusted - In Millions of 1982-84 Dollars (CPI-U)
 FY 1979/80 - 1999/00

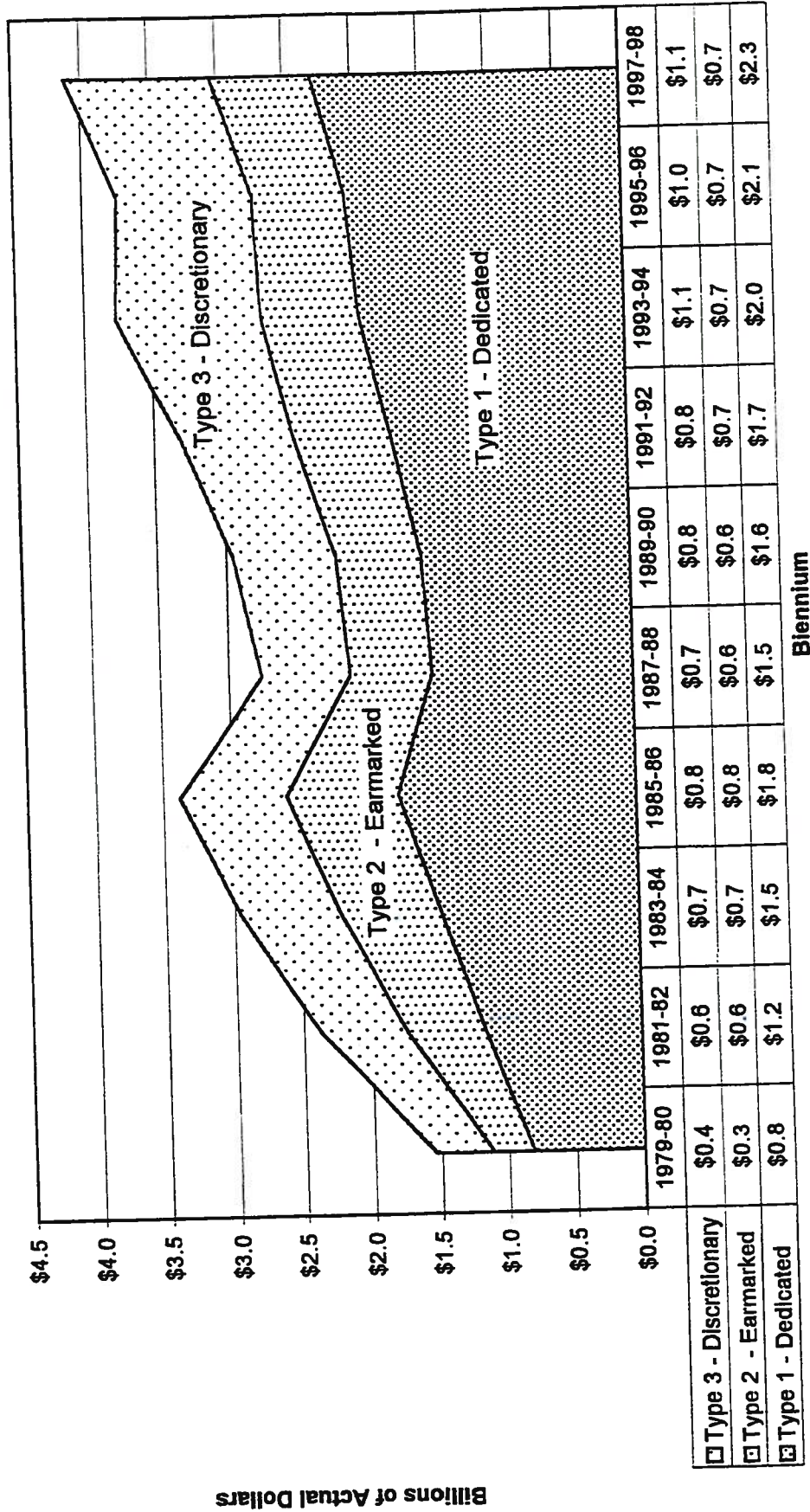


Total of Type 1, 2, and 3 Revenues and Percentage of Total Revenues

Biennium	Type 1 "Dedicated"		Type 2 "Earmarked"		Type 3 "Discretionary"		Grand Total
	\$	% of Total	\$	% of Total	\$	% of Total	
1979-80	\$807,833,572	52.6%	\$307,252,216	20.0%	\$420,929,220	27.4%	\$1,536,015,008
1981-82	\$1,151,173,577	48.8%	\$572,646,454	24.3%	\$634,878,070	26.9%	\$2,358,698,101
1983-84	\$1,461,379,265	49.5%	\$744,327,957	25.2%	\$745,145,487	25.3%	\$2,950,852,709
1985-86	\$1,754,255,394	51.9%	\$831,332,176	24.6%	\$796,709,406	23.6%	\$3,382,296,976
1987-88	\$1,484,772,257	53.9%	\$814,587,663	22.3%	\$652,823,224	23.7%	\$2,752,183,144
1989-90	\$1,550,388,497	52.5%	\$634,656,278	21.5%	\$766,394,045	26.0%	\$2,951,438,820
1991-92	\$1,747,867,934	52.7%	\$721,856,189	21.8%	\$847,331,968	25.5%	\$3,317,056,091
1993-94	\$1,969,996,112	52.3%	\$725,146,227	19.2%	\$1,074,544,805	28.5%	\$3,769,687,144
1995-96	\$2,062,117,053	55.1%	\$680,375,614	18.2%	\$997,888,750	26.7%	\$3,740,381,417
1997-98	\$2,297,208,822	55.8%	\$749,368,675	18.2%	\$1,068,558,753	26.0%	\$4,115,136,250

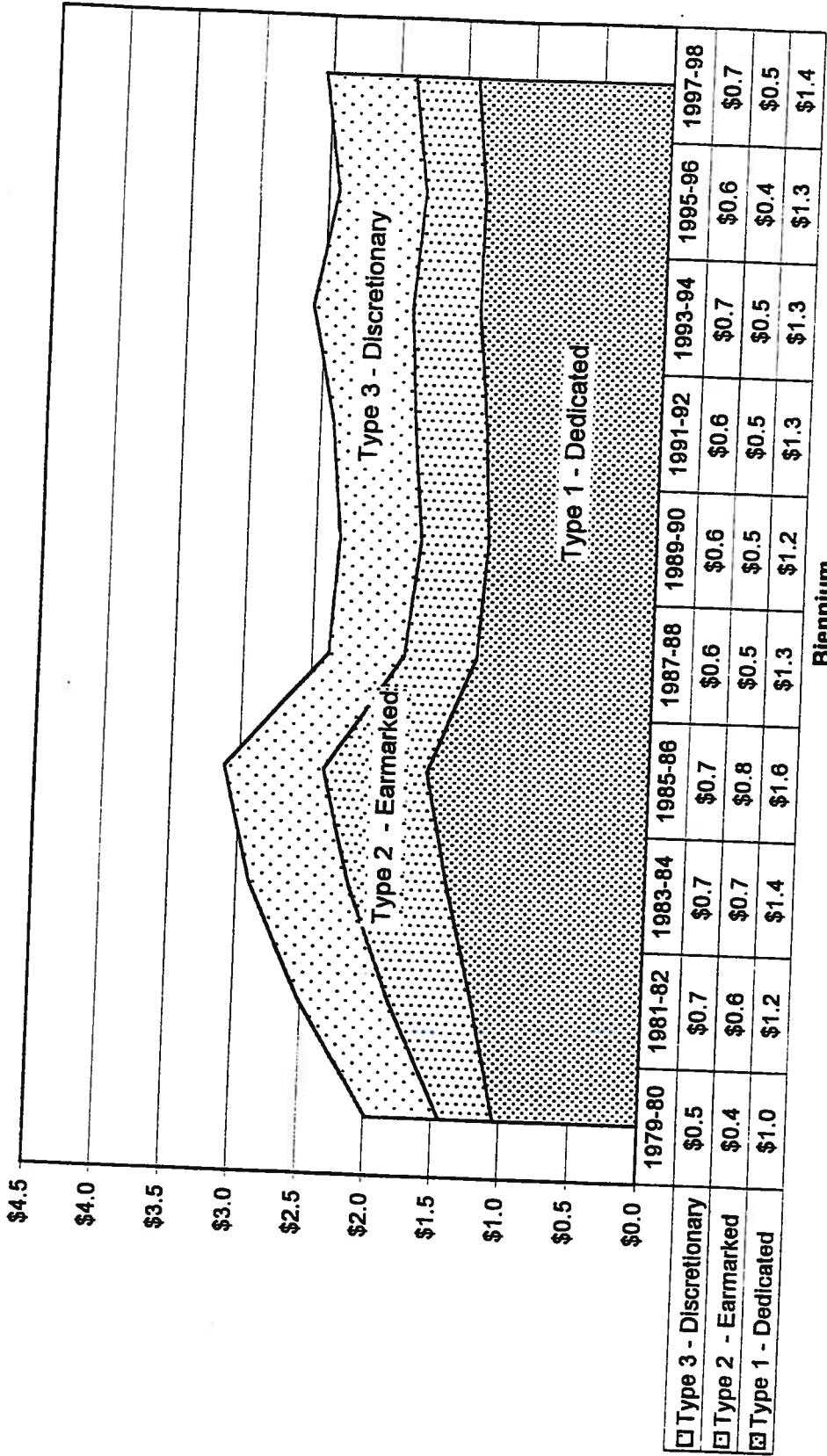
Graph 7R - A

**State
All Revenues
Actual Dollars in Billions
FY 1979/80 - 1997/98**



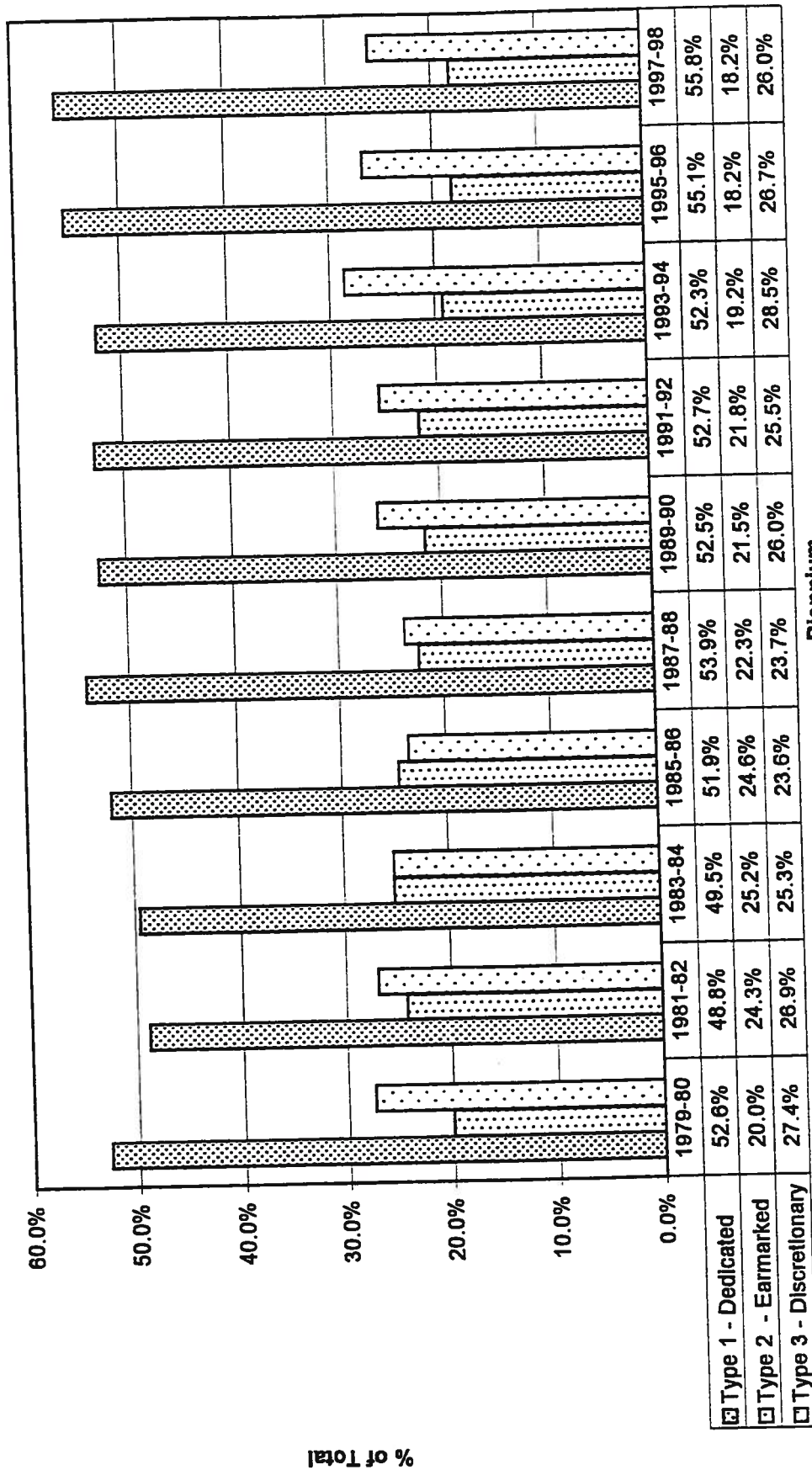
Billions of Actual Dollars

**State
All Revenues
Inflation Adjusted - in Billions of 1982-84 Dollars (CPI-U)
FY 1979/80 - 1997/98**



Billions of Inflation Adjusted Dollars 1982-84

State
 Revenues by Type as a Percentage of Total
 FY 1979/80 - 1997/98



Total of Types 1, 2 and 3 Projected Revenues

Biennium	Type 1 "Dedicated" \$	% of Total	Type 2 "Earmarked" \$	% of Total	Type 3 "Discretionary" \$	% of Total	Grand Total
1999/00	\$2,372,441,873	57.0%	\$763,742,480	18.3%	\$1,027,400,000	24.7%	\$4,163,584,353
2001/02	\$2,352,564,222	55.7%	\$780,642,480	18.5%	\$1,087,800,000	25.8%	\$4,221,006,702

NOTE: These projections utilize the January 1999 CREG Report where applicable. CREG will revise projections in October, 1999 and again in January, 2000.

ATTACHMENT A-6

State Revenue Index

Revenue Type

Type 1
Dedicated

Type 2
Earmarked

Type 3
Discretionary

State Taxes

Fuels Taxes	X		
Insurance Premium Taxes			X
Liquor Taxes			X
Property Taxes	X		
Sales and use Taxes		X	X
Severance Taxes	X	X	X
Tobacco Taxes		X	X

Federal Funds (State Revenues)

Federal Flow-throughs to agencies	X		
Federal Mineral Royalties		X	X

Other Revenues

Charges for Sales and Services	X		X
Fees (incl. motor vehicle)	X		X
Fines & Penalties	X		X
Game & Fish licenses	X		X
Investment Income	X		
Liquor Sales	X		
Liquor Profit and Taxes			X
State Land Fund Revenues	X		
Unemployment Insurance	X		
Workers' Comp Premium	X		

Local Taxes

Property Taxes	X		
Sales and use Taxes		X	

1997-1998 Biennium - Total State Revenues Flow Chart (excludes Retirement System)
 (\$ are in Millions)

TYPE 1 - Dedicated Revenues									
% of Total Revenues Remaining	100%	76.3%	69.1%	64.6%	59.1%	53.7%	48.6%	47.5%	46.2%
Remaining Balance	\$4,115	\$3,142	\$2,843	\$2,660	\$2,430	\$2,209	\$1,999	\$1,954	\$1,900
Type 1 Dedicated Revenues Amount	(973)	(299)	(183)	(230)	(221)	(210)	(45)	(54)	(81)
Purpose	[Federal funds to and through state agencies]	[Workers Comp & Unemployment Premiums to Pay Claims and Operations]	[Deposits to Corpus of Permanent Mineral Trust Fund and Public Land Fund]	[State 12 Mill Property Tax for K-12 Schools]	[Investment Income That Does Not Go to General Fund]	[Fuel Taxes and Vehicle Fees to Highway Fund]	[Game & Fish Licenses and Revenues to Game & Fish]	[Other Special Revenue Fund Receipts for Purposes Specified]	[Enterprise Funds Liquor Commission, Purchases & Enterprise Funds]
Balance	\$3,142	\$2,843	\$2,660	\$2,430	\$2,209	\$1,999	\$1,954	\$1,900	\$1,819

TYPE 2 - Earmarked Revenues									
% of Total Revenues Remaining	44.2%	43.1%	39.5%	31.9%	26.4%	26.0%	21.0%	19.5%	
Remaining Balance	\$1,819	\$1,775	\$1,625	\$1,315	\$1,088	\$1,069	\$866	\$804	
Type 2 Earmarked Revenues Amount	(44.0)	(150)	(310)	(227)	(19)	(203)	(62)		All Available for Type 3 Discretionary Spending
Purpose	[Severance Taxes for Water Development]	[Severance Taxes & Federal Mineral Royalties for Highways]	[Severance Taxes, Federal Mineral Royalties & 28% of State Sales/Use Tax to Local Gov't]	[Federal Mineral Royalties & Severance to K-12, UW & CC's]	[Other Severance Tax Diversions, e.g. LUST]	[General Fund Expenditures Necessary for Leveraging \$400.600M in Federal \$ for Various programs]	[To Fully Fund K-12 Education Formula for 2 years.]		
Balance	\$1,775	\$1,625	\$1,315	\$1,088	\$1,069	\$866	\$804		

* The \$203M figure is based on 99-00 estimates and is used here as an estimate of what was expended in 97-98.

1999-2000 Biennium - Total State Revenues Flow Chart
 (\$ are in Millions)

	All Type 1 - Dedicated	All Type 2 - earmarked	Type 3 - Discretionary
% of Total Revenues Remaining	100%	43.0%	24.7% 19.8% 16.1%
Remaining Balance	\$4,163.6	\$1,791.2	\$1,027.5 \$824.5 \$668.8
Amount	(\$2,372.4)	(\$763.7)	(\$203) (\$155.7)
Purpose	[This represents the total flow of Type 1 revenues to all of the various accounts listed in Chart 1R]	[This represents the total flow of Type 2 revenues to all of the various accounts listed in Chart 2R]	[These are General Fund expenditures necessary to fully fund the K-12 formula for 2 years. (It does not include add. \$20M in gas tax & \$66M in available carryover \$)] [All available for Type 3 discretionary spending]
Balance	\$1,791.2	\$1,027.5	\$824.5 \$668.8

NOTE: This chart is a condensed version of the Chart on the previous page, only based on projected estimates of revenues for 1999-2000. This chart provides an estimate of the amount of total revenues that is truly discretionary for 99-00 after funding federally driven programs and the mandatory full funding of K-12. Projected revenue data is obtained from Chart 8R.

D. HISTORICAL EXPENDITURE PATTERNS

Explanation of the methodology and limitations.

For purposes of comparing historic expenditures, state agencies have been grouped into eight categories along functional lines. It might be desirable to report government expenditures purely by functional category rather than by agency. However, classifying programs and expenditures over the past 20 years would be a huge effort likely yielding minimally useful and imprecise data at best.

State agencies have been restructured over the years with functions and programs often being reassigned. Agencies have been dissolved, and new agencies have been created. As such, for the purpose of this "macro" report, all expenditures for an agency are assigned to a single functional category. Where reorganization and restructuring have occurred, the predecessor agency has been included in the figures for the most appropriate functional category.

Thus, precise comparison of expenditures over time within a functional category is not possible. Nevertheless, the data presented is believed to be valid for the purpose of this "macro" historical overview and provides useful information to policy makers.

The 8 categories and the agencies assigned to each are as follows:

1. Education - K-12 funding, Department of Education, Community Colleges and UW
2. Health - Department of Health - Please note that data for biennia prior to reorganization in 1989-1990 include some expenditures for what is now the Department of Family Services. Information sufficient to completely distinguish expenditures of the current Department of Family Services and Department of Health from the old Department of Health and Social Services was not obtained for this report. Thus most of the old Department of Health and Social Services is contained in this category. Only the state institutions, which are now within the Department of Family Services, are excluded in this category from 1979-1980 to 1989-1990.
3. Justice, public safety and corrections -
Department of Corrections, Board of Parole,
the Judiciary, Attorney General,
Office of the Public Defender
4. Family Services - Department of Family Services - Please note that data for biennia prior to reorganization in 1989-1990 do not include some expenditures by what is now the Department of Family Services. Information sufficient to completely distinguish the expenditures of the

current Department of Family Services and Department of Health from the old Department of Health and Social Services was not obtained for this report. Thus most of the old Department of Health and Social Services is contained in Category 3 - Health. Only the state institutions, which are now in the Department of Family Services, are included in this category, Category 4 - Family Services, from 1979-1980 to 1989-1990.

5. Employment, economic development and commerce -

Department of Commerce (includes Business Council, Parks and Cultural Resources),
Department of Employment, Public Service Commission,
Insurance Dept., Oil and Gas Conservation Commission,
Dept. of Fire Prevention and Electrical Safety

6. Natural resources, environment and recreation -

Game and Fish Department, Department of Agriculture,
Dept. of Environmental Quality, Environ. Qual. Cncl.,
State Engineer, Water Development Comm.,
State Loan and Investment Office, St. Geological Survey

7. Transportation - Dept. of Transportation

8. General Government -

Executive branch:

Department of Administration and Information
(including licensing boards),
Dept. of Audit, Dept. of Revenue
State Board of Equalization,
Office of the Governor, Governor's residence,
Secretary of State's Office
State Auditor's Office
State Treasurer's Office
Retirement system, St. Employees Group Ins.,
Military Department (Adjutant General),
Office of Administrative hearings

Legislative branch: Legislature.

For the purpose of identifying trends over the past 20 years, Categories 2 and 4 have been consolidated. Reorganization of government makes long-term historical comparisons of them separately extremely difficult. Their expenditures for the last 10 years have been separately profiled in an additional set of charts and graphs.

These 8 functional classifications or categories are funded by a mixture of expenditures from the 3 types of revenue sources. As such, total expenditures for any category may include Type 1-Dedicated and Type 2-Earmarked revenues, which are difficult to divert to another purpose, as well as Type 3-Discretionary revenues.

Category 1 - Education expenditures

Category 1 - Expenditures consists generally of K-12/Department of Education expenditures, University of Wyoming expenditures and the state components of Community College expenditures, explained in more detail below.

K-12 funding

Only the state's share of K-12 school funding is included in these figures. See Section E of this report for a more complete explanation of school finance.

University of Wyoming funding

University expenditure data consists of expenditures from the Section I Block Grant, which is the main operational budget, and the Section II Block Grant, which is the Self-sustaining portion of the budget.

Section I expenditures are from funds derived as follows:

Type 1 - Dedicated revenues such as federal funds and University funds which consist of tuition, interest income, permanent land fund income, charges for sales and services and other various miscellaneous sources;

Type 2 - Earmarked revenues which consist of federal mineral royalties (primarily used for bonding and capital construction); and

Type 3 - Discretionary revenues which include the general fund (and other discretionary appropriations such as GAAP).

Section II Block Grant expenditures are from the Self-sustaining programs are from University fund revenues generated as follows:

sponsored funding from contracts with federal and state government agencies, corporations, and foundations;

gifts and donations;

auxiliary enterprise revenues generated by operating University housing, food service and the bookstore.

All of these funds are derived from what could be classified as Type 1 - Dedicated revenues. Note that the revenue figures in this "Macro" report do not include University revenues (either Section I or II) except to the extent that they are from earmarked sources or from the "general fund". Since these Section I and II funds are exclusively for University purposes, they are reflected only in the expenditure portion of the "macro" report except as indicated above.

Community Colleges

State expenditures for the community colleges are as follows by revenue source:

Type 1 - Dedicated revenues are expended from local sources including tuition, fees, charges for sales and services and property taxes levied locally for college purposes.

Type 2 - Earmarked expenditures are expended from federal mineral royalties (coal lease bonuses) for the college contingency reserve.

Type 3 - Discretionary expenditures are expended primarily from the general fund, but may be from other discretionary appropriations such as GAAP.

Again, these expenditures do not reflect total community college expenditures.

Expenditure Categories

For each of the eight state agency categories, expenditure data is presented as a total for the category, both by summary line items and by funding source.

The summary line items in the chart for each of the eight categories list five expenditure categories:

100 series - This represents all costs associated with salaries and employer paid benefits for all personnel including full-time, part-time and at-will-employee-contract (AWEC) positions.

600 series - This line item is titled "grants and aid payments" and represents payments made to or on behalf of people. Examples are

Medicaid payments to providers, payments to local government or private non-profits which provide services to mentally ill or developmentally disabled individuals, and payments to school districts.

700 series - These contain any capital construction expenditures paid through agency budgets.

900 series - These are contractual expenditures. In many cases these expenditures could be classified as personnel costs, since they are typically contracts for services provided by personnel other than state employees. However, they have been shown as a separate category to ensure consistency in reporting the 100 series personnel cost figures.

All other - These include the following:

- expenditures for 200 series which is supportive services, items like supplies, travel and equipment;
- expenditures for 300 series, which is almost entirely cost allocation;
- expenditures for 400 series, which are charges for services from other agencies for direct services provided (such as computer services and using motor pool vehicles);
- expenditures for 500 series, which is space rental;
- expenditures for 800 series, which includes purchase of items for resale and other small expenses.

Funding Categories

The expenditure data for each of the charts for the eight functional categories for state agencies is also presented by funding source. There are three basic sources, i.e. general fund, federal fund and other funds. General fund and federal fund sources are self-explanatory. "Other funds" consist of an aggregation of all other sources of funds expended by the agencies within the functional category. "Other funds" includes earmarked or special revenue funds, trust and agency funds, expendable trust funds, enterprise funds, and any other sources that may have been utilized over the twenty year reporting period.

Personnel levels

Also included in the charts for each functional category of state agencies are full-time and part-time personnel figures. Again, given the restructuring of government agencies during the reporting period, precise allocation of personnel levels among functional categories is not possible.

Observations

1. Each of the 8 expenditure categories individually has a different configuration of expenditure series and slightly different trends in historic expenditures. The Education expenditure category has been broken down into K-12 expenditures, the University of Wyoming and Community Colleges. Note that K-12 expenditures are at the state level and do not reflect total K-12 expenditures. See Section E. of this report for more information on school finance. For the 20 year historic profile, Categories 2 and 4 are combined. They are profiled separately for a 10 year historic comparison.

(See Charts and Graphs 1E through 8EI (pp.56-86) and Charts and Graphs 2E through 4EI; pp. 96-101.)

2. Like revenues, since the "bust" of the mid-1980's, state total expenditures in the 8 categories has increased in dollars. Adjusted for inflation, expenditures have been level. (See Graph 9IE; p.90)

3. The expenditure categories 1 through 4 (Education, Health, Justice/corrections, and Family Services) receive significant funding from Type 1 (Dedicated) and Type 2 (Earmarked) revenue sources. Through the state's budget process, they also receive Type 3-Discretionary revenues.

Over the past 20 years, the share of total state expenditures devoted to categories 1 through 4 (Education, Health, Justice/corrections, and Family Services) has increased from 51% to 62% while the other categories have correspondingly decreased.

(See Graph 9GAE; p.92)

4. Over the past 20 years, the share of total state expenditures devoted to each expenditure "series" has also changed. The 600 series, "grants and aid payments", has increased from 34% to 42% of expenditures while the other series have correspondingly decreased.

(See Graph 9SE; p.93)

5. Over the past 20 years, the number of state full-time employees has increased. The number of part-time employees has actually decreased over the same period. However, for the 1997-1998 biennium, both full-time and part-time employment levels are below 1987-1988 levels, 10 years ago.

(See Chart 9PE; p.94)

6. State expenditures for local governments represent only part of the total revenues available to local governments.

K-12 education funding for school districts is discussed in more detail in section E. of this report.

7. Note that the sum of the expenditures in the 8 categories does not reflect total state expenditures. In addition to these 8 categories of expenditures, it is necessary to include certain Type 1-Dedicated and Type 2-Earmarked revenues to get a full picture of state expenditures.

To illustrate by example:

1997-1998 expenditures (approximate)

total for the 8 categories	\$3,394 (millions)
deposits to state permanent and land trusts (Type 1 - dedicated revenue)	172
deposits to worker's comp trust (Type 1 - dedicated revenue)	220
deposits to unemployment ins. account (Type 1 - dedicated revenue)	54
Direct transfers to local gov't (Type 2 - earmarked revenue)	310
Total	\$4.1 billion

This, along with several other computations, would have to be accomplished for each budget period to get a complete picture of state government expenditures. For this portion of the report, the focus is on the 8 categories of state expenditures as outlined above.

State Historical Expenditures

Chart 1E

Category 1 - Education

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$152,564,486	\$47,408,859	\$201,552,000	\$401,525,345	2,115	3,982
1981-82	\$191,244,852	\$59,065,367	\$279,641,497	\$529,951,716	2,470	4,068
1983-84	\$203,426,237	\$31,352,106	\$473,191,131	\$707,969,474	2,499	4,080
1985-86	\$220,754,233	\$60,197,987	\$616,546,444	\$897,498,664	2,535	4,095
1987-88	\$283,616,874	\$79,407,052	\$582,231,101	\$945,255,027	2,528	4,094
1989-90	\$242,002,943	\$102,865,040	\$645,213,342	\$990,081,325	2,437	3,980
1991-92	\$251,923,888	\$103,260,714	\$749,980,664	\$1,105,165,266	2,461	3,979
1993-94	\$343,319,181	\$114,023,935	\$731,513,622	\$1,188,856,738	2,455	3,977
1995-96	\$385,732,532	\$145,463,396	\$708,778,086	\$1,239,974,014	2,443	3,976
1997-98	\$334,898,420	\$160,393,077	\$772,826,413	\$1,268,117,910	2,741	3,082
1999-00 *	\$433,162,480	\$175,551,028	\$838,020,347	\$1,446,733,855	2,740	3,084

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	\$99,157,274	\$234,438,684	\$2,025,225	\$3,673,184	\$62,230,978	\$401,525,345
1981-82	\$137,754,081	\$315,978,055	\$1,233,783	\$3,834,779	\$71,151,018	\$529,951,716
1983-84	\$158,480,599	\$462,535,096	\$703,118	\$4,614,918	\$81,635,743	\$707,969,474
1985-86	\$172,026,223	\$617,806,104	\$10,796,741	\$6,384,081	\$90,485,515	\$897,498,664
1987-88	\$180,173,067	\$657,235,746	\$877,729	\$8,053,245	\$98,915,240	\$945,255,027
1989-90	\$185,473,671	\$681,477,728	\$4,208,976	\$10,849,457	\$108,071,493	\$990,081,325
1991-92	\$214,022,567	\$768,356,134	\$1,906,723	\$18,280,463	\$102,599,379	\$1,105,165,266
1993-94	\$232,254,668	\$833,147,330	\$2,547,572	\$14,127,025	\$106,780,143	\$1,188,856,738
1995-96	\$253,160,173	\$845,214,153	\$14,463,902	\$14,087,029	\$113,048,757	\$1,239,974,014
1997-98	\$258,480,219	\$856,493,998	\$5,878,391	\$17,809,514	\$129,455,788	\$1,268,117,910
1999-00 *	\$284,305,818	\$975,158,572	\$900,000	\$22,348,352	\$164,021,113	\$1,446,733,855

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1 Includes K-12 Funding, Department of Ed, Community Colleges and Commission, UW, WICHE.

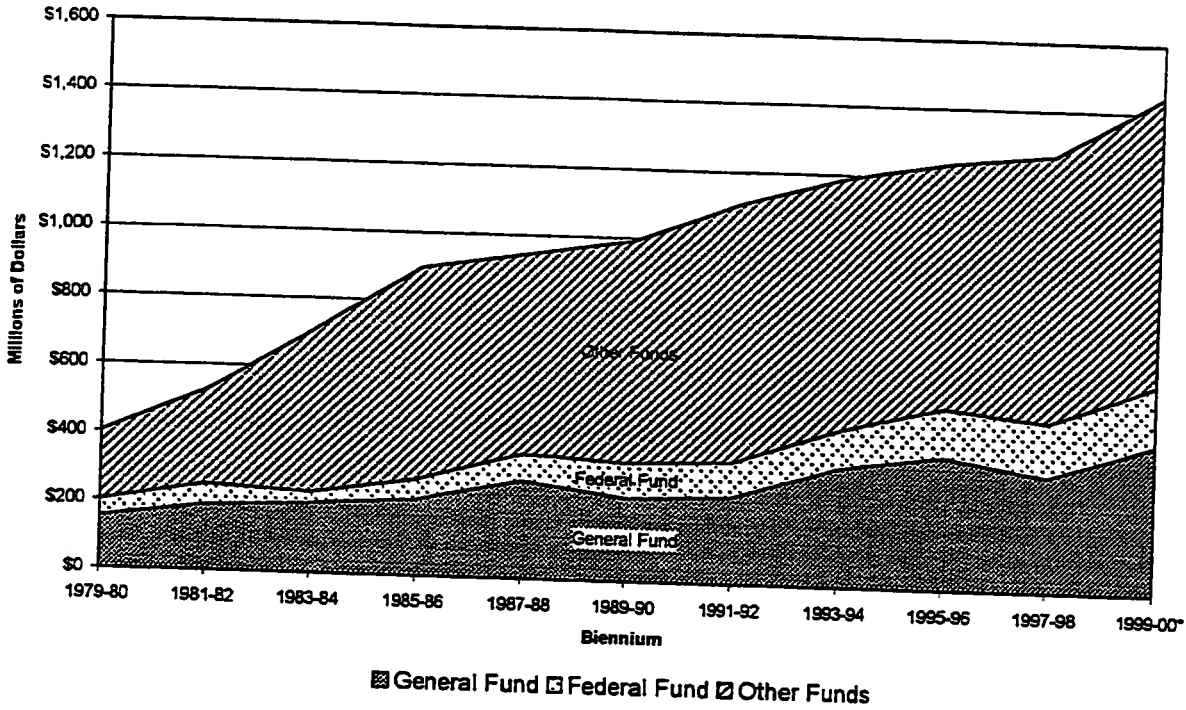
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

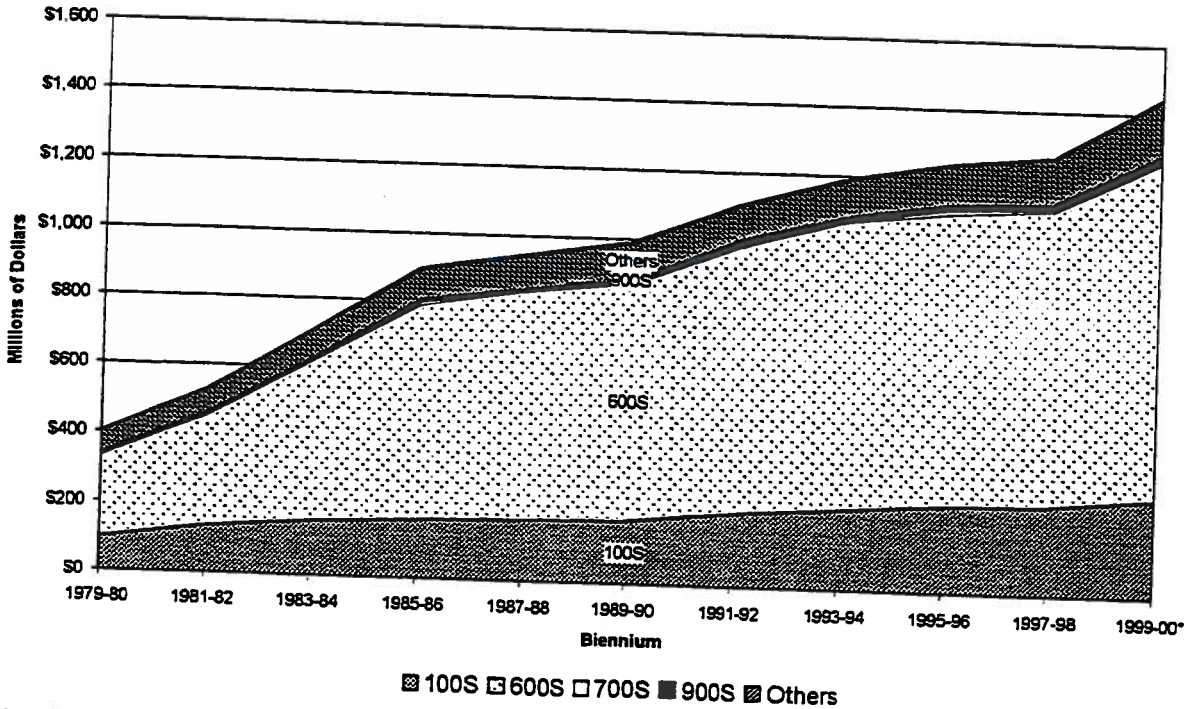
**State Historical Expenditures
Category 1 - Education
FY 1979/80 - 1999/00***

Graph 1E

Fund Sources



Expenditure Series



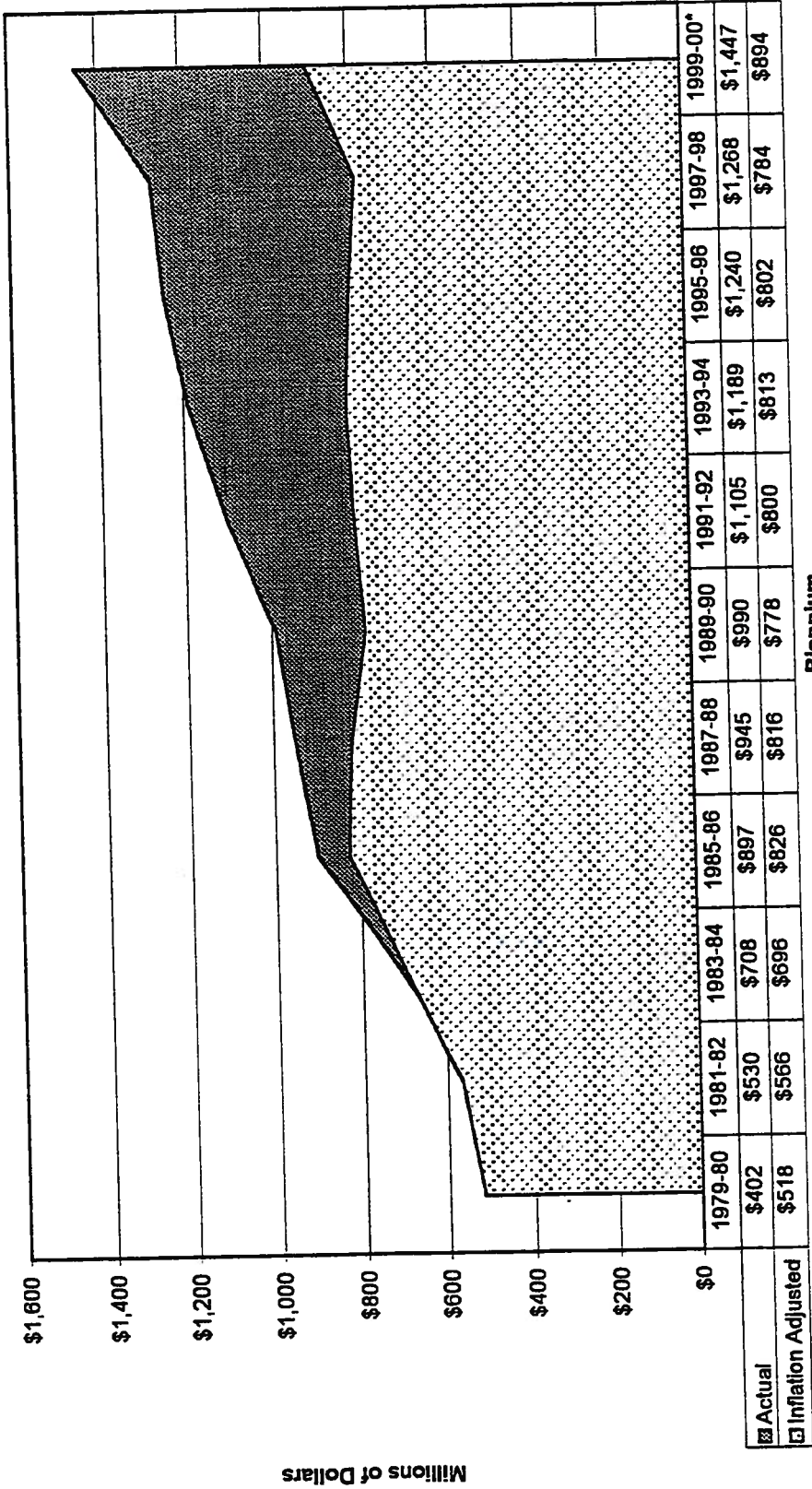
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1 Includes K-12 Funding, Department of Ed, Community Colleges and Commission, UW, WICHE

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
Total Category 1 - Education
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)**



Actual Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1 Includes K-12 Funding, Department of Ed, Community Colleges and Commission, UW, WICHE.

State Historical Expenditures

Chart 1SDEE

Category 1 - Education (K-12 Funding and Department of Education)

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$44,452,724	\$23,602,905	\$130,101,852	\$198,157,481	127	17
1981-82	\$41,092,270	\$27,374,355	\$196,687,385	\$265,154,010	129	19
1983-84	\$12,555,786	\$104,747	\$374,445,770	\$387,106,303	123	18
1985-86	\$6,626,256	\$27,812,249	\$502,644,186	\$537,082,691	122	19
1987-88	\$54,057,786	\$41,654,039	\$476,719,995	\$572,431,820	121	19
1989-90	\$9,407,299	\$51,827,050	\$522,669,501	\$583,903,850	92	15
1991-92	\$7,386,039	\$59,156,715	\$589,746,915	\$656,289,669	101	14
1993-94	\$99,012,440	\$61,337,683	\$562,207,019	\$722,557,142	101	12
1995-96	\$128,687,535	\$87,783,795	\$513,002,317	\$729,473,647	87	11
1997-98	\$65,853,376	\$98,317,405	\$574,597,097	\$738,767,878	86	11
1999-00 *	\$153,740,791	\$105,013,307	\$613,368,691	\$872,122,789	99	13

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	\$4,998,586	\$190,686,593	\$14,436	\$501,175	\$1,956,691	\$198,157,481
1981-82	\$6,443,074	\$255,663,121	\$1,952	\$573,003	\$2,472,860	\$265,154,010
1983-84	\$2,799,129	\$383,482,223	\$0	\$395,070	\$429,881	\$387,106,303
1985-86	\$6,776,214	\$528,032,077	\$0	\$360,305	\$1,894,095	\$537,062,691
1987-88	\$7,193,362	\$561,908,878	\$0	\$646,401	\$2,683,179	\$572,431,820
1989-90	\$6,583,268	\$573,532,074	\$0	\$1,149,561	\$2,638,947	\$583,903,850
1991-92	\$6,216,778	\$646,679,589	\$64,006	\$1,254,510	\$2,074,786	\$656,289,669
1993-94	\$5,181,916	\$712,841,900	\$0	\$1,732,031	\$2,801,295	\$722,557,142
1995-96	\$6,688,355	\$717,471,970	\$0	\$1,980,324	\$3,332,998	\$729,473,647
1997-98	\$6,707,036	\$725,055,371	\$0	\$3,830,687	\$3,174,784	\$738,767,878
1999-00 *	\$8,132,403	\$842,322,138	\$0	\$15,429,980	\$6,238,268	\$872,122,789

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1SDE Includes State Department of Education budget and only state spending for K-12 education.

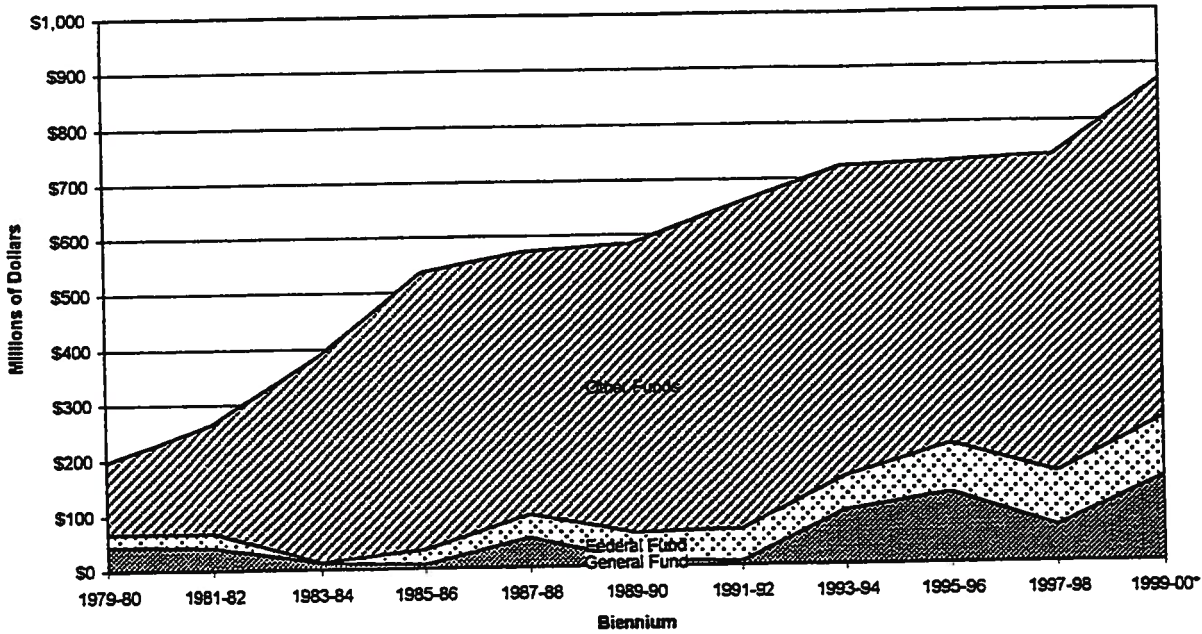
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures
Category 1 - Education (K-12 Funding and Department of Education)
 FY 1979/80 - 1999/00*

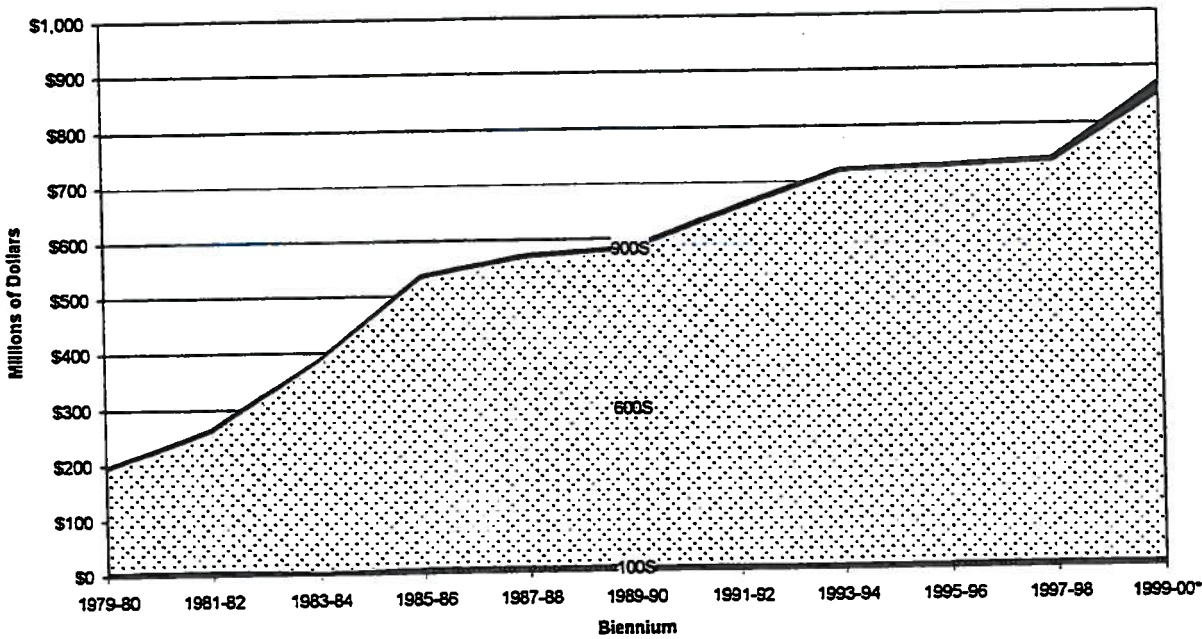
Graph 1SDEE

Fund Sources



■ General Fund ▨ Federal Fund ▩ Other Funds

Expenditure Series



■ 100S ▨ 600S ▩ 700S ■ 900S ▩ Others

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

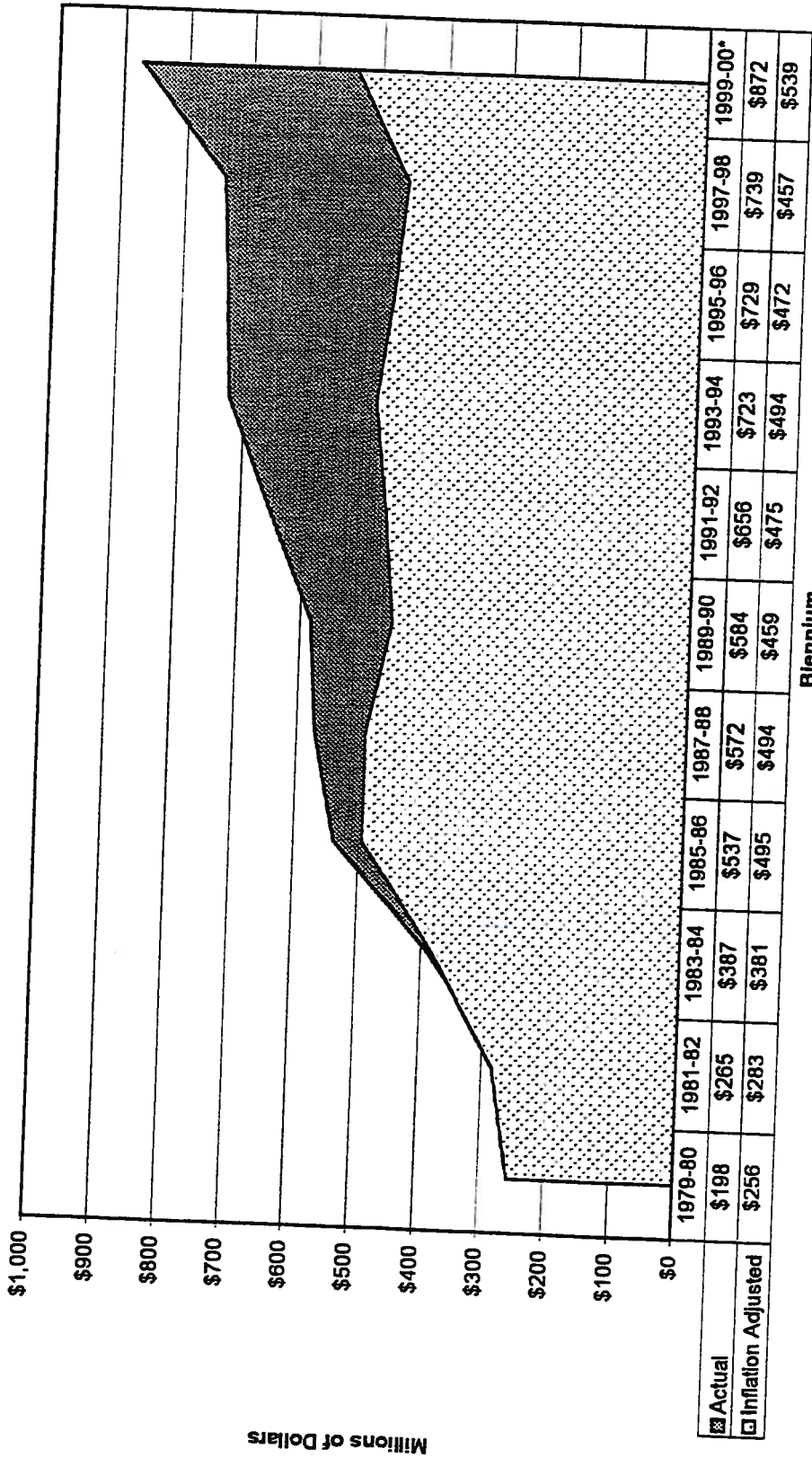
Category 1SDE Includes State Department of Education budget and only state spending for K-12 education.

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures
Total Category 1 - Education (K-12 Funding and Department of Education)
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)

Graph 1SDE1E



Actual
 Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1SDE Includes State Department of Education budget and only state spending for K-12 education.

State Historical Expenditures

Chart 1CCE

Category 1 - Education (Community College Commission)

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$28,680,705	\$13,042	\$0	\$28,693,747	3	0
1981-82	\$42,019,726	\$86,233	\$0	\$42,105,959	3	0
1983-84	\$57,414,469	\$143,926	\$0	\$57,558,395	3	0
1985-86	\$65,438,511	\$170,780	\$0	\$65,609,291	3	0
1987-88	\$68,517,059	\$230,462	\$0	\$68,747,521	11	1
1989-90	\$76,888,172	\$224,912	\$0	\$77,113,084	11	0
1991-92	\$84,287,809	\$206,118	\$8,059,858	\$92,553,785	14	0
1993-94	\$84,651,268	\$222,651	\$3,195,785	\$88,069,704	8	0
1995-96	\$91,130,068	\$234,613	\$4,291,818	\$95,656,499	10	0
1997-98	\$91,353,991	\$139,061	\$4,953,050	\$96,446,102	11	0
1999-00 *	\$92,044,195	\$225,000	\$3,164,693	\$95,433,888	11	0

by Series

Biennium						Totals
	100	600	700	900	All Other	
1979-80	\$120,834	\$28,504,392	\$0	\$13,804	\$54,717	\$28,693,747
1981-82	\$174,276	\$41,866,147	\$0	\$11,217	\$54,319	\$42,105,959
1983-84	\$207,054	\$57,288,289	\$0	\$8,888	\$54,164	\$57,558,395
1985-86	\$227,260	\$65,307,800	\$0	-\$17,392	\$71,623	\$65,589,291
1987-88	\$325,004	\$68,344,737	\$0	\$14,963	\$62,817	\$68,747,521
1989-90	\$338,859	\$76,681,979	\$0	\$10,874	\$81,372	\$77,113,084
1991-92	\$478,295	\$87,119,843	\$0	\$4,445,845	\$509,802	\$92,553,785
1993-94	\$910,346	\$86,201,800	\$0	\$190,301	\$767,257	\$88,069,704
1995-96	\$917,439	\$93,611,030	\$0	\$420,851	\$707,179	\$95,656,499
1997-98	\$1,064,015	\$94,379,306	\$0	\$527,013	\$475,768	\$96,446,102
1999-00 *	\$1,190,178	\$92,653,295	\$0	\$27,800	\$1,562,615	\$95,433,888

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1CC includes Community College Commission budget and only state spending on Community Colleges.

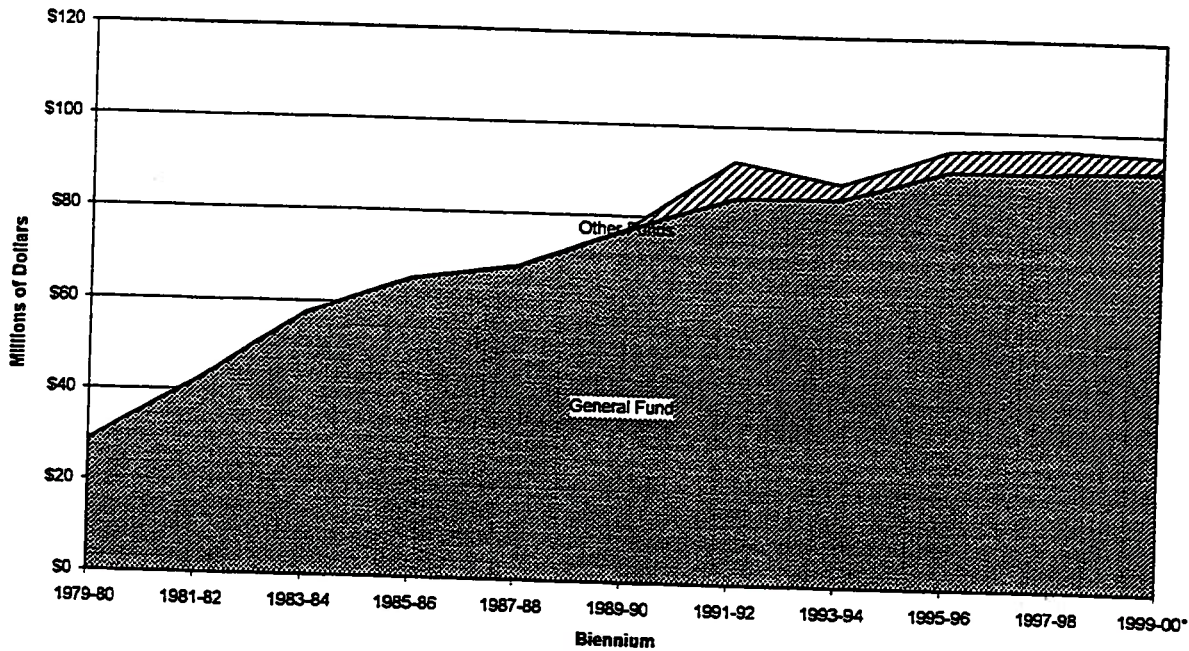
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures
Category 1 - Education (Community College Commission)
 FY 1979/80 - 1999/00*

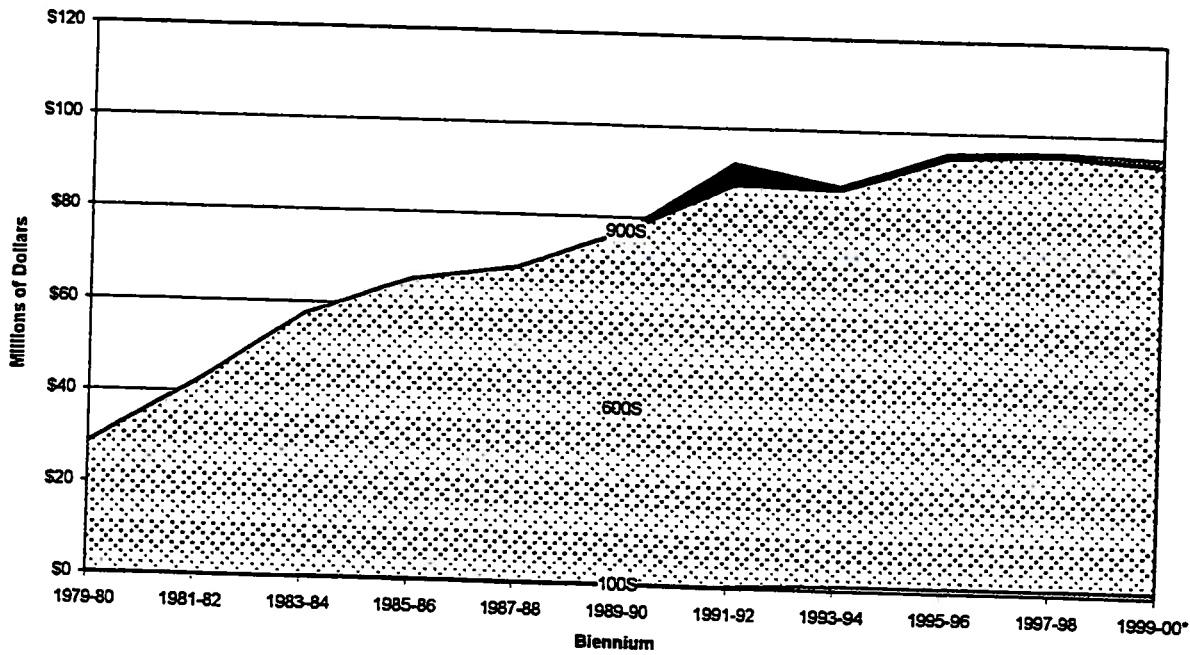
Graph 1CCE

Fund Sources



General Fund
 Federal Fund
 Other Funds

Expenditure Series



100S
 600S
 700S
 900S
 Others

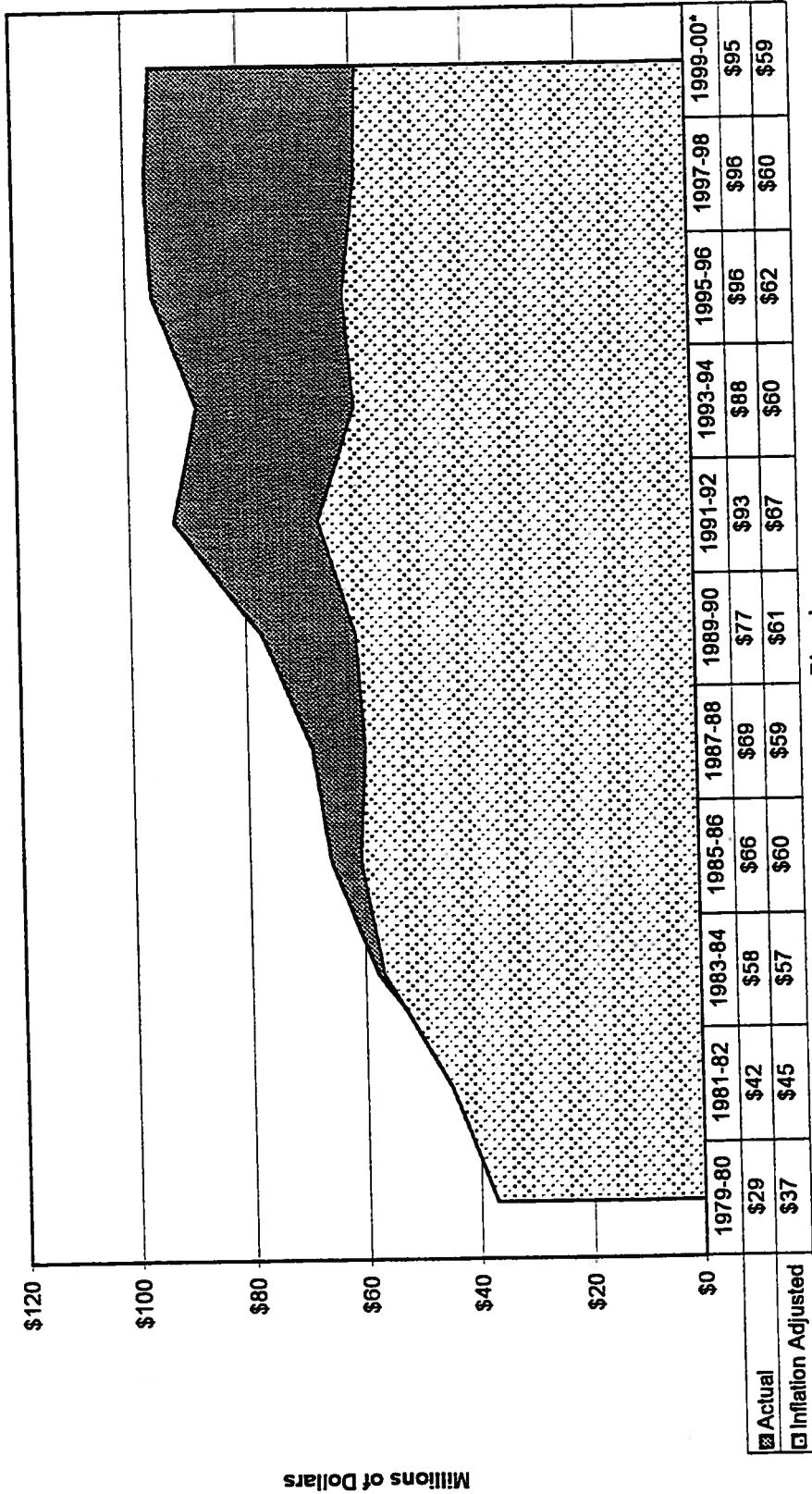
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1CC includes Community College Commission budget and only state spending on Community Colleges.

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
Total Category 1 - Education (Community College Commission)
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)**



Actual Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1CC Includes Community College Commission budget and only state spending on Community Colleges.

State Historical Expenditures

Chart 1UWE

Category 1 - Education (University of Wyoming, and WICHE)

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$79,431,057	\$23,792,912	\$71,450,148	\$174,674,117	1,985	3,965
1981-82	\$108,132,856	\$31,604,779	\$82,954,112	\$222,691,747	2,338	4,049
1983-84	\$133,455,982	\$31,103,433	\$98,745,361	\$263,304,776	2,373	4,062
1985-86	\$148,689,466	\$32,214,958	\$113,902,258	\$294,806,682	2,410	4,076
1987-88	\$161,042,029	\$37,522,551	\$105,511,106	\$304,075,686	2,396	4,074
1989-90	\$155,707,472	\$50,813,078	\$122,543,841	\$329,064,391	2,334	3,965
1991-92	\$160,250,040	\$43,897,881	\$152,173,891	\$356,321,812	2,346	3,965
1993-94	\$159,655,473	\$52,463,601	\$166,110,818	\$378,229,892	2,346	3,965
1995-96	\$165,914,929	\$57,444,988	\$191,483,951	\$414,843,868	2,346	3,965
1997-98	\$177,691,053	\$61,936,611	\$193,276,266	\$432,903,930	2,644	3,071
1999-00 *	\$187,377,494	\$70,312,721	\$221,486,963	\$479,177,178	2,630	3,071

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	\$94,037,854	\$15,247,699	\$2,010,789	\$3,158,205	\$60,219,570	\$174,674,117
1981-82	\$131,136,731	\$18,448,787	\$1,231,831	\$3,250,559	\$68,623,839	\$222,691,747
1983-84	\$155,474,416	\$21,764,584	\$703,118	\$4,210,960	\$81,151,698	\$263,304,776
1985-86	\$165,022,749	\$24,466,227	\$10,796,741	\$6,001,168	\$88,519,797	\$294,806,682
1987-88	\$172,654,701	\$26,982,131	\$877,729	\$7,391,881	\$96,169,244	\$304,075,686
1989-90	\$178,551,544	\$31,263,675	\$4,208,976	\$9,689,022	\$105,351,174	\$329,064,391
1991-92	\$207,327,494	\$34,556,702	\$1,842,717	\$12,580,108	\$100,014,791	\$356,321,812
1993-94	\$226,162,406	\$34,103,630	\$2,547,572	\$12,204,693	\$103,211,591	\$378,229,892
1995-96	\$245,554,379	\$34,131,153	\$14,463,902	\$11,685,854	\$109,008,580	\$414,843,868
1997-98	\$250,709,168	\$37,059,321	\$5,878,391	\$13,451,814	\$125,805,236	\$432,903,930
1999-00 *	\$274,983,237	\$40,183,139	\$900,000	\$6,890,572	\$156,220,230	\$479,177,178

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1UW includes the WICHE budget and funds expended for Section I and Section II (self-sustaining) block grants for UW.

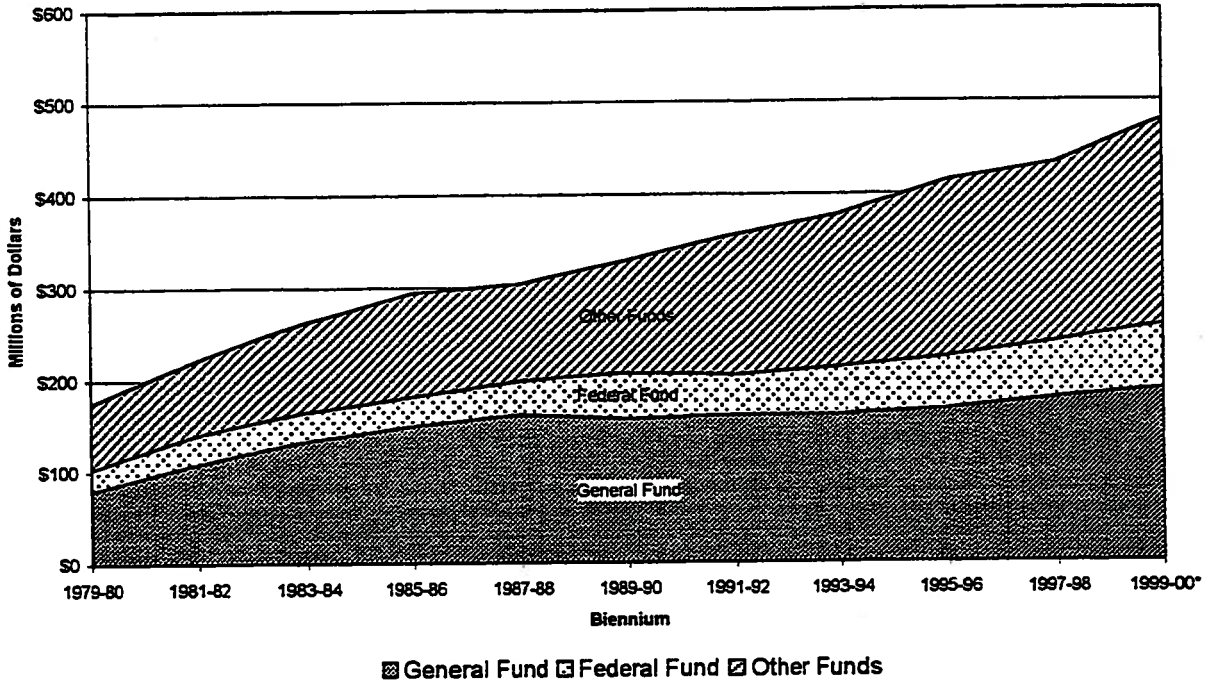
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

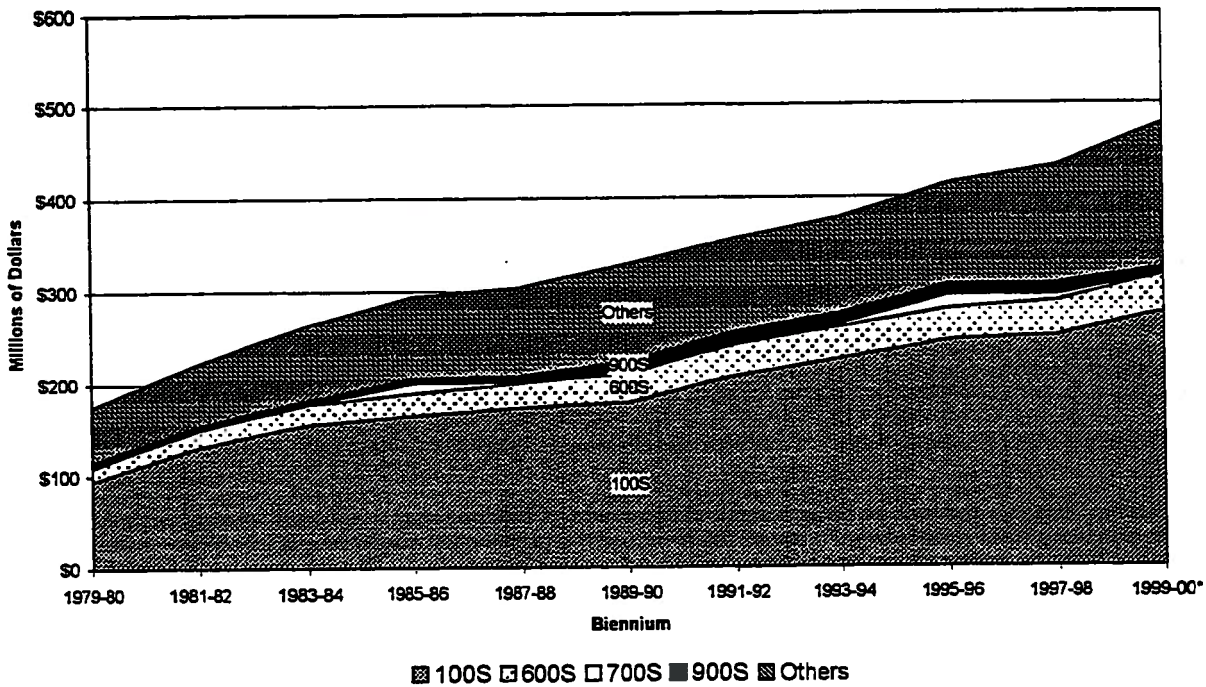
State Historical Expenditures
Category 1 - Education (University of Wyoming, and WICHE)
 FY 1979/80 - 1999/00*

Graph 1UWE

Fund Sources



Expenditure Series



* Information for 1999-00 Biennium reflects APPROPRIATIONS.

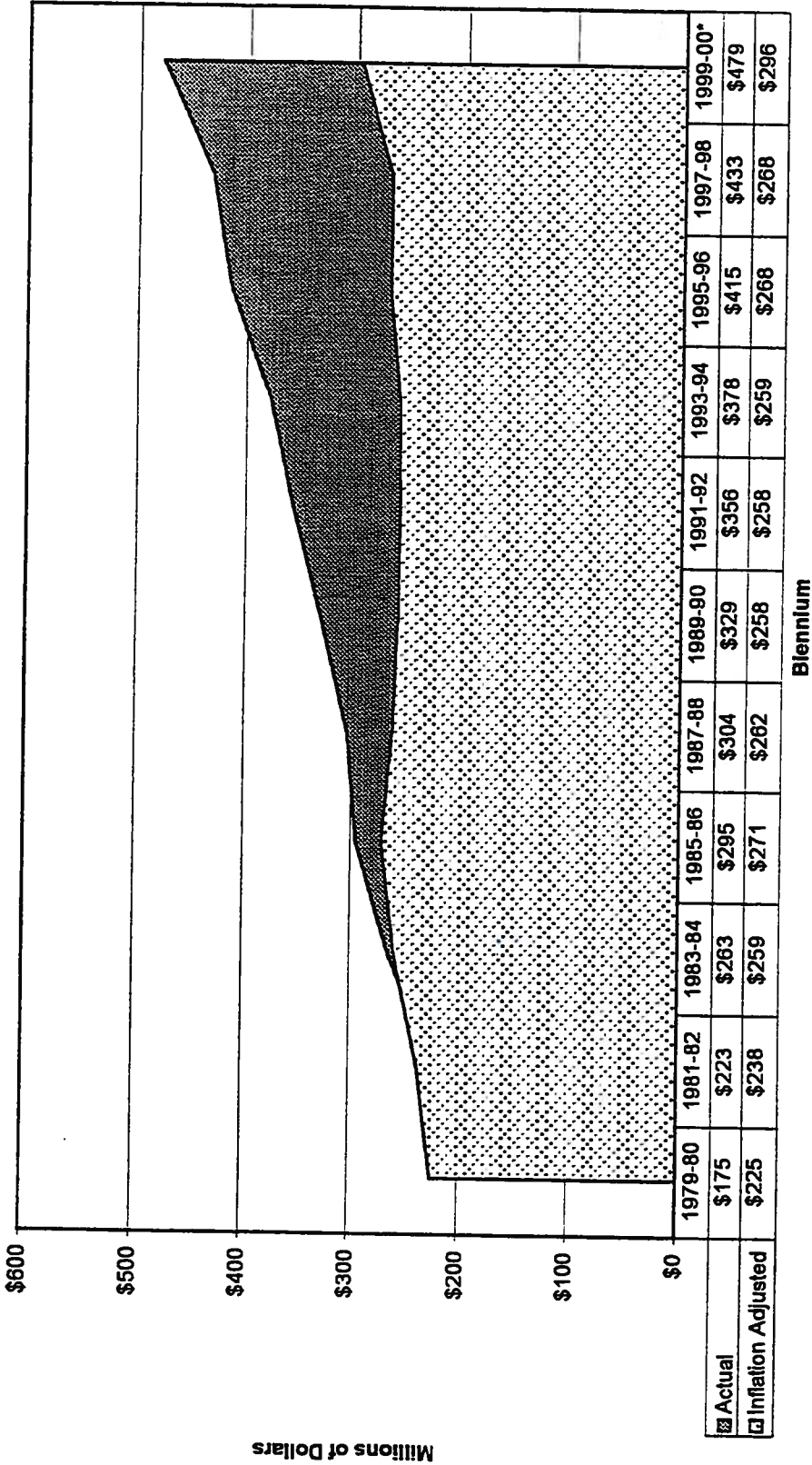
Category 1UW includes the WICHE budget and funds expended for Section I and Section II (self-sustaining) block grants for UW.

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures
Total Category 1 - Education (University of Wyoming, and WICHE)
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)

Graph 1004E



Actual Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 1UW includes the WICHE budget and funds expended for Section I and Section II (self-sustaining) block grants for UW.

State Historical Expenditures

Chart 2,4E

Categories 2 and 4 - Health and Family Services

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$112,725,063	\$97,397,696	\$9,421,948	\$219,544,707	1,715	134
1981-82	\$125,939,335	\$76,049,669	\$3,819,110	\$205,808,114	1,914	134
1983-84	\$169,244,842	\$93,955,865	\$4,986,125	\$268,186,832	2,002	127
1985-86	\$201,457,827	\$109,375,490	\$6,293,577	\$317,126,894	2,037	379
1987-88	\$208,544,814	\$125,664,567	\$4,158,008	\$338,367,389	2,041	326
1989-90	\$217,150,963	\$166,305,400	\$5,731,052	\$389,187,415	2,062	276
1991-92	\$263,511,058	\$263,779,473	\$11,664,040	\$538,954,571	2,191	274
1993-94	\$320,849,126	\$346,378,035	\$11,229,655	\$678,456,816	2,272	148
1995-96	\$347,741,927	\$334,131,142	\$12,714,089	\$694,587,158	2,203	146
1997-98	\$363,324,216	\$343,554,603	\$16,005,119	\$722,883,938	2,121	151
1999-00 *	\$365,867,397	\$420,981,124	\$15,419,221	\$802,267,742	2,088	136

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	\$66,440,691	\$128,203,383	\$0	\$2,396,823	\$22,503,810	\$219,544,707
1981-82	\$74,755,275	\$106,614,616	\$0	\$5,437,063	\$19,001,160	\$205,808,114
1983-84	\$90,626,467	\$148,232,378	\$0	\$7,281,548	\$22,046,439	\$268,186,832
1985-86	\$97,074,772	\$185,281,736	\$0	\$8,880,689	\$25,889,697	\$317,126,894
1987-88	\$93,468,642	\$209,619,877	\$9,580	\$9,931,688	\$25,337,602	\$338,367,389
1989-90	\$97,737,247	\$244,498,706	\$7,788	\$18,776,755	\$28,166,919	\$389,187,415
1991-92	\$109,716,404	\$370,342,514	\$0	\$27,310,638	\$31,585,015	\$538,954,571
1993-94	\$125,345,504	\$473,208,314	\$95,861	\$42,253,954	\$37,553,183	\$678,456,816
1995-96	\$132,655,889	\$489,225,300	\$11,240	\$37,185,997	\$35,508,732	\$694,587,158
1997-98	\$131,420,515	\$510,238,922	\$0	\$44,923,469	\$36,301,032	\$722,883,938
1999-00 *	\$136,958,389	\$571,915,484	\$291,000	\$56,324,050	\$36,778,819	\$802,267,742

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 2,4 includes the Departments of Health and Family Services and all related agencies for bienniums prior to 1989-90 reorganization, and the Departments of Health and Family Services only for bienniums after 1989-90.

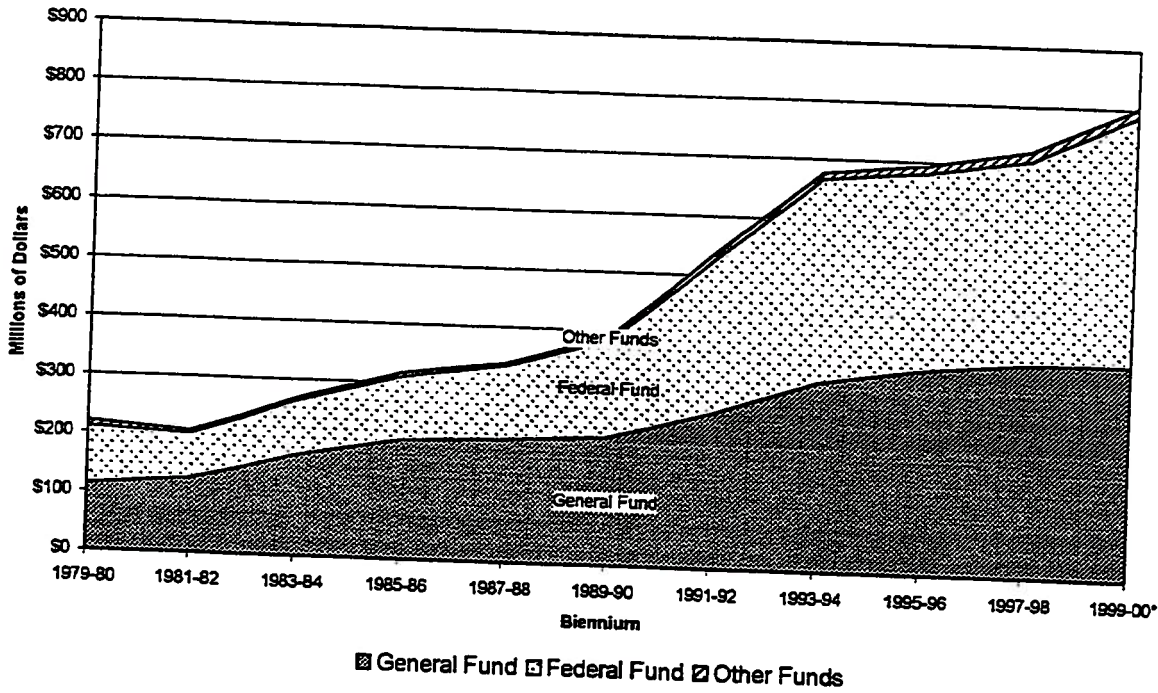
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

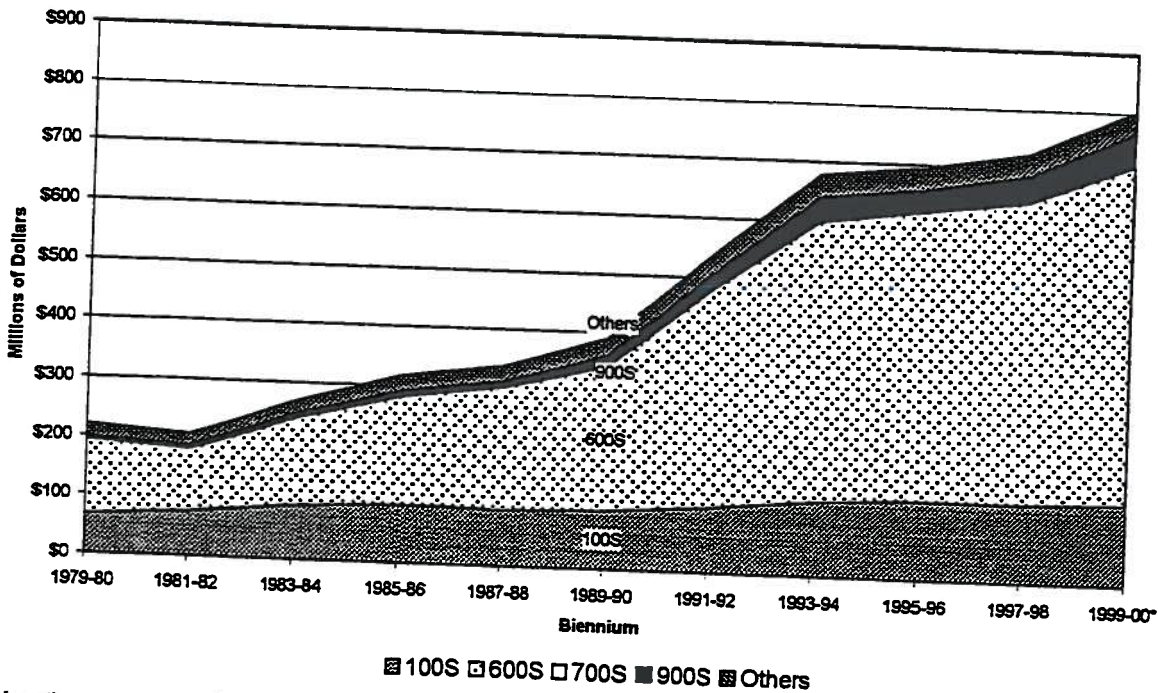
State Historical Expenditures Categories 2 and 4 Combined - Health and Family Services FY 1979/80 - 1999/00*

Graph 2,4E

Fund Sources



Expenditure Series



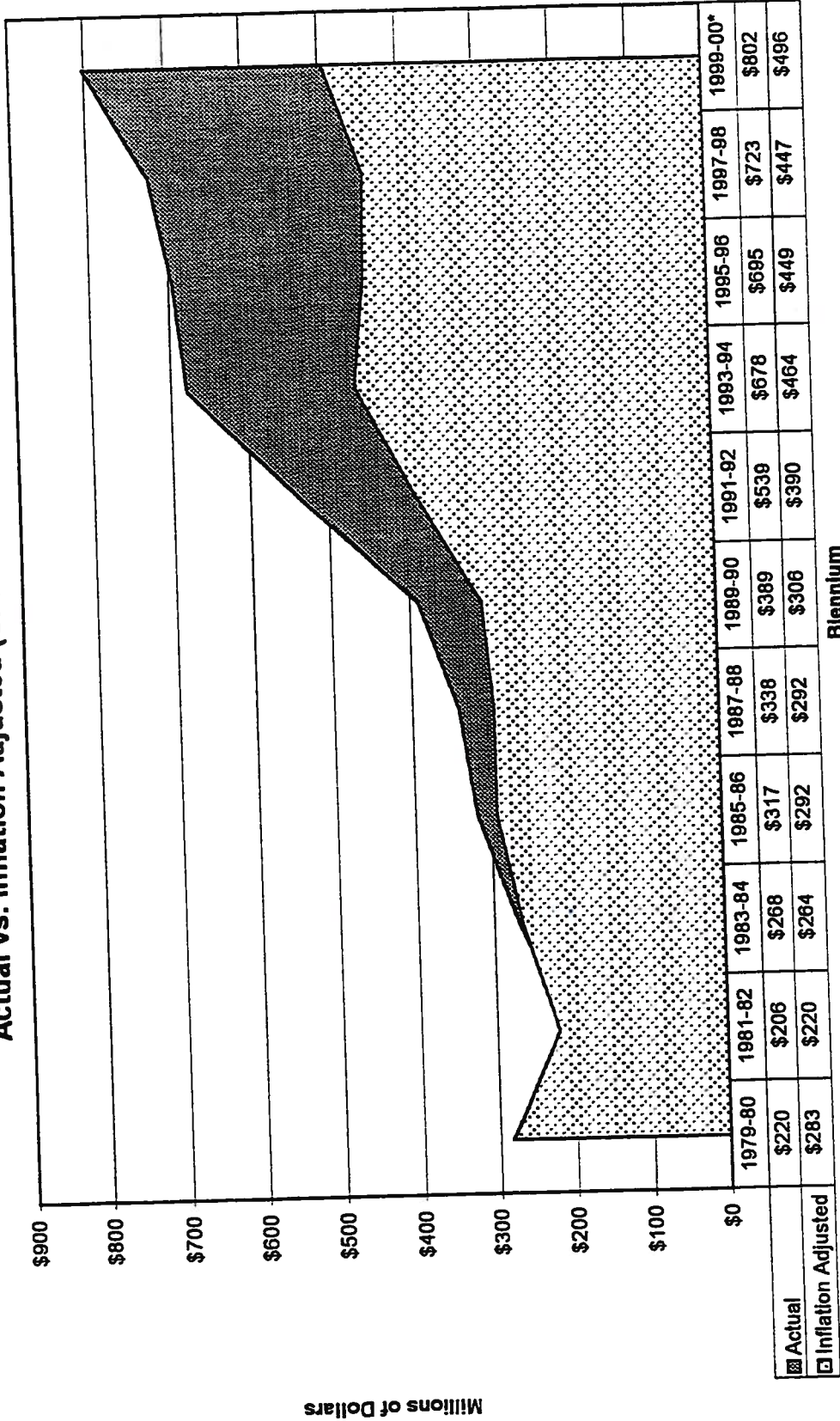
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 2,4 Includes all agencies reorganized in 1989-90 into the Departments of Health and Family Services.

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
Total Categories 2 and 4 - Health and Family Services
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)**



Actual Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 2,4 Includes all agencies reorganized in 1989-90 into the Departments of Health and Family Services.

State Historical Expenditures

Chart 3E

Category 3 - Justice, Public Safety, and Corrections

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$21,093,248	\$3,052,315	\$239,987	\$24,385,550	351	61
1981-82	\$40,098,366	\$2,066,527	\$706,201	\$42,871,094	486	78
1983-84	\$52,349,200	\$227,759	\$1,368,378	\$53,945,337	630	76
1985-86	\$57,578,224	\$241,704	\$1,591,853	\$59,411,781	729	80
1987-88	\$62,603,324	\$1,015,681	\$2,821,242	\$66,440,247	772	73
1989-90	\$69,728,192	\$2,365,567	\$5,549,588	\$77,643,347	803	68
1991-92	\$84,152,555	\$2,405,445	\$8,813,436	\$95,371,436	862	65
1993-94	\$86,464,124	\$2,487,512	\$11,052,661	\$100,004,297	867	67
1995-96	\$91,465,092	\$2,997,738	\$4,965,054	\$99,427,884	864	62
1997-98	\$112,255,944	\$6,689,070	\$13,912,540	\$132,857,554	938	63
1999-00 *	\$129,735,540	\$6,512,740	\$10,225,502	\$146,473,782	1,039	68

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	\$15,154,250	\$2,074,411	\$0	\$1,833,663	\$5,323,226	\$24,385,550
1981-82	\$24,847,463	\$1,360,598	\$0	\$6,169,852	\$10,493,181	\$42,871,094
1983-84	\$35,157,652	\$668,169	\$123,237	\$5,335,925	\$12,660,354	\$53,945,337
1985-86	\$41,730,973	\$920,816	\$27,867	\$4,135,351	\$12,596,774	\$59,411,781
1987-88	\$44,061,077	\$1,306,503	\$14,876	\$6,323,911	\$14,733,880	\$66,440,247
1989-90	\$49,739,235	\$2,796,914	\$121,898	\$9,278,384	\$15,706,916	\$77,643,347
1991-92	\$56,378,349	\$2,672,159	\$471,057	\$15,993,964	\$19,855,907	\$95,371,436
1993-94	\$59,805,137	\$3,946,326	\$975,029	\$16,893,706	\$18,384,099	\$100,004,297
1995-96	\$65,213,815	\$4,291,436	\$0	\$13,383,070	\$16,539,563	\$99,427,884
1997-98	\$76,328,882	\$7,496,052	\$16,000	\$25,621,189	\$23,395,431	\$132,857,554
1999-00 *	\$84,290,887	\$11,699,181	\$0	\$26,510,692	\$23,973,022	\$146,473,782

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

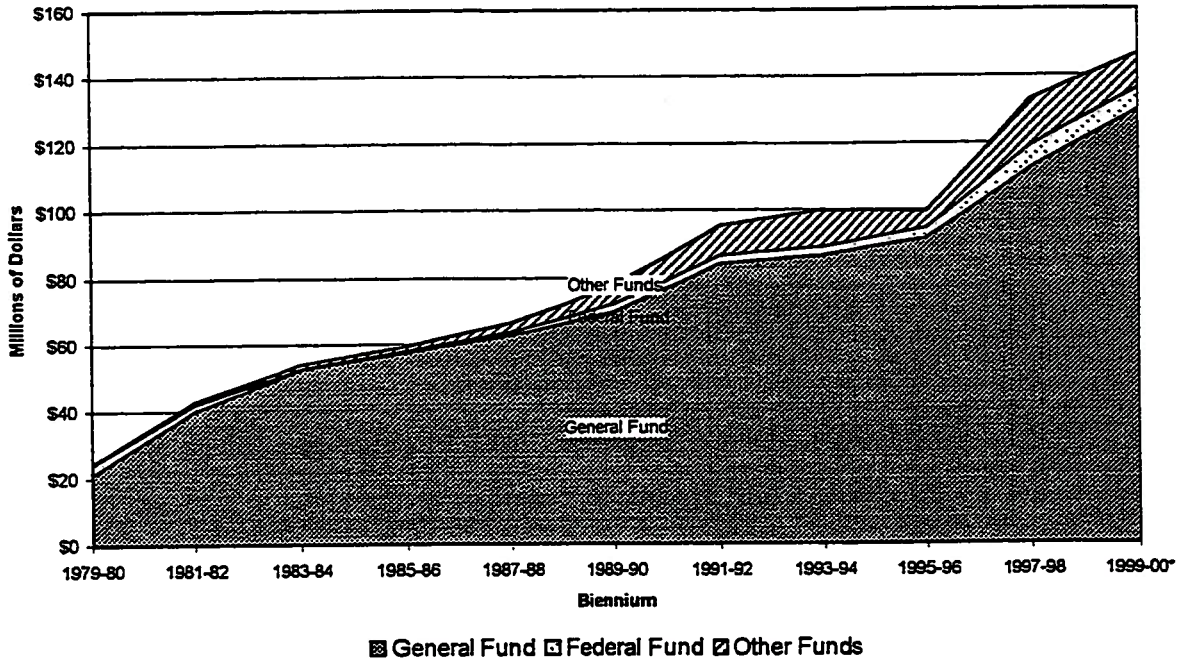
Category 3 Includes Department of Corrections, Board of Parole, Judiciary, Attorney General and Office of Public Defender.

Expenditure Series Codes:

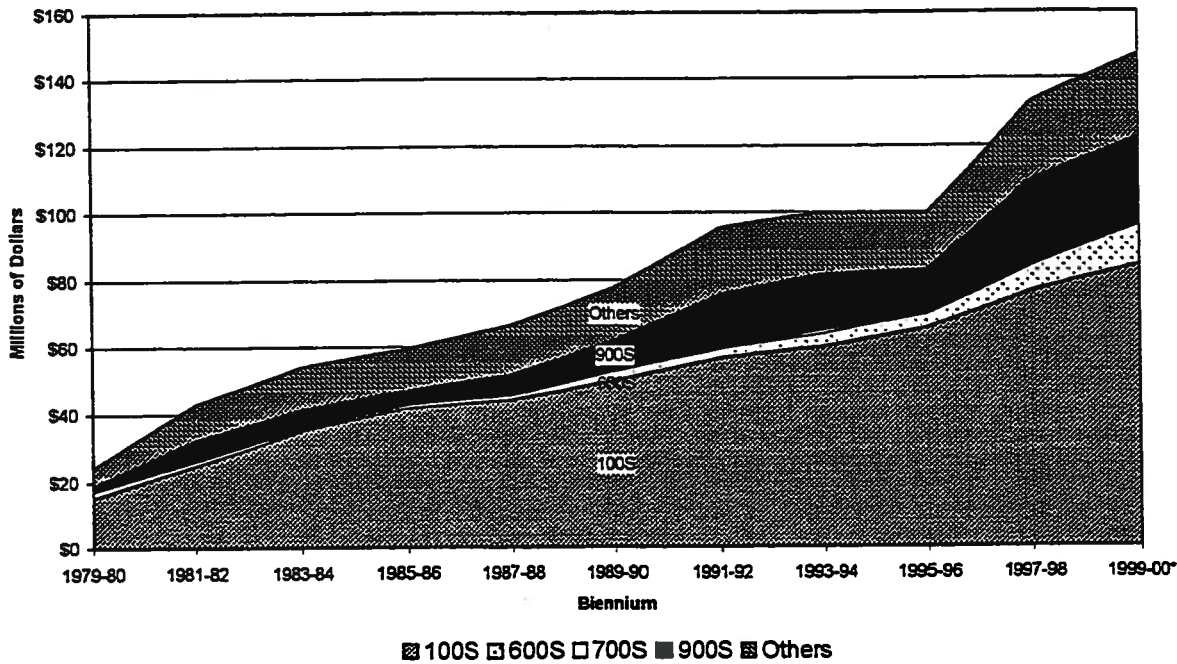
100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures Category 3 - Justice, Public Safety, and Corrections FY 1979/80 - 1999/00*

Fund Sources



Expenditure Series



* Information for 1999-00 Biennium reflects APPROPRIATIONS.

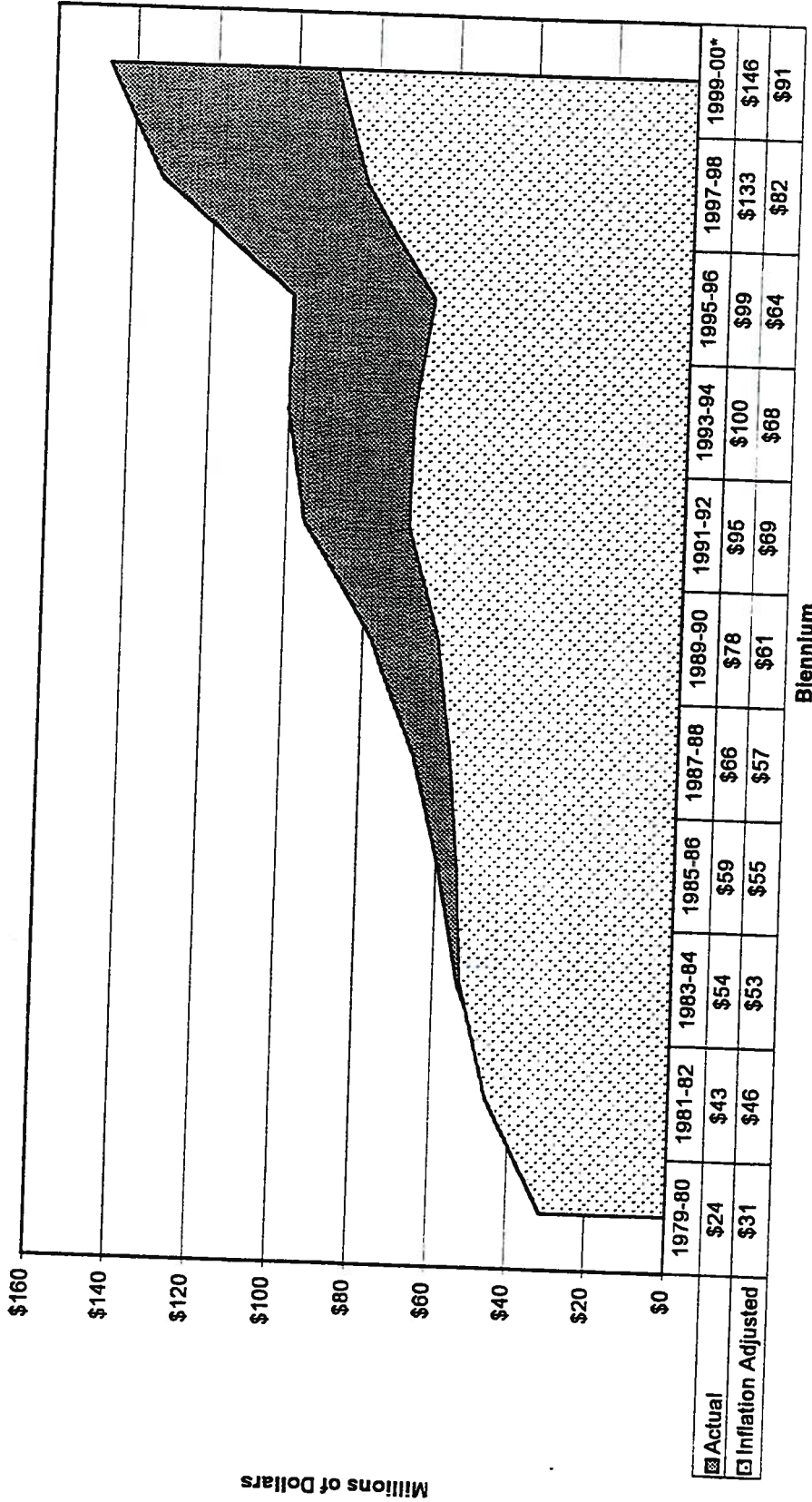
Category 3 Includes: Department of Corrections, Board of Parole, Judiciary, Attorney General and Office of Public Defender.

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures
Total Category 3 - Justice, Public Safety, and Corrections
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)

Graph of E



Legend:
 [Stippled] Actual
 [Solid] Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 3 Includes: Department of Corrections, Board of Parole, Judiciary, Attorney General and Office of Public Defender.

Category 4 is combined with Category 2
in this summary of expenditures from
1978-2000

State Historical Expenditures

Chart 5E

Category 5 - Employment, Economic Development, and Commerce

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$13,871,208	\$39,071,300	\$6,825,977	\$59,768,485	608	221
1981-82	\$18,106,779	\$36,326,143	\$10,482,996	\$64,915,918	665	221
1983-84	\$26,389,776	\$36,682,419	\$8,938,444	\$72,010,639	689	201
1985-86	\$31,284,878	\$53,332,801	\$30,357,240	\$114,974,919	734	246
1987-88	\$37,383,968	\$61,724,050	\$43,827,598	\$142,935,616	915	312
1989-90	\$37,406,984	\$74,019,781	\$14,601,075	\$126,027,840	856	302
1991-92	\$42,382,276	\$54,082,590	\$8,025,109	\$104,489,975	831	215
1993-94	\$41,418,151	\$59,332,580	\$11,597,463	\$112,348,194	846	199
1995-96	\$34,152,464	\$63,382,457	\$29,535,651	\$127,070,572	855	229
1997-98	\$32,474,215	\$61,404,056	\$39,473,068	\$133,351,339	807	189
1999-00 *	\$42,078,696	\$59,943,606	\$47,321,370	\$149,343,672	802	170

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	\$24,382,247	\$23,952,445	\$0	\$844,989	\$10,588,804	\$59,768,485
1981-82	\$33,028,435	\$19,013,926	\$35,837	\$1,184,747	\$11,652,973	\$64,915,918
1983-84	\$39,959,808	\$12,094,628	\$233,520	\$1,235,183	\$18,487,500	\$72,010,639
1985-86	\$45,296,634	\$25,757,770	\$253,215	\$1,555,165	\$42,112,135	\$114,974,919
1987-88	\$49,060,716	\$31,905,540	\$251,830	\$4,132,482	\$57,585,048	\$142,935,616
1989-90	\$49,135,681	\$40,697,626	\$145,688	\$5,984,492	\$30,064,353	\$126,027,840
1991-92	\$51,548,930	\$22,591,923	\$90,048	\$5,833,538	\$24,425,536	\$104,489,975
1993-94	\$56,020,822	\$22,955,222	\$157,742	\$7,335,356	\$25,879,052	\$112,348,194
1995-96	\$59,844,007	\$29,961,122	\$170,846	\$8,282,948	\$28,811,649	\$127,070,572
1997-98	\$61,448,412	\$31,854,789	\$533,008	\$13,188,852	\$26,326,278	\$133,351,339
1999-00 *	\$62,641,944	\$51,228,623	\$350,593	\$4,958,377	\$30,164,135	\$149,343,672

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 5 Includes: Dept. Commerce & Business Council, Dept. Employment, Public Service Commission, Insurance Dept, Oil & Gas Conservation Commission, Dept. of Fire Prevention and Electrical Safety.

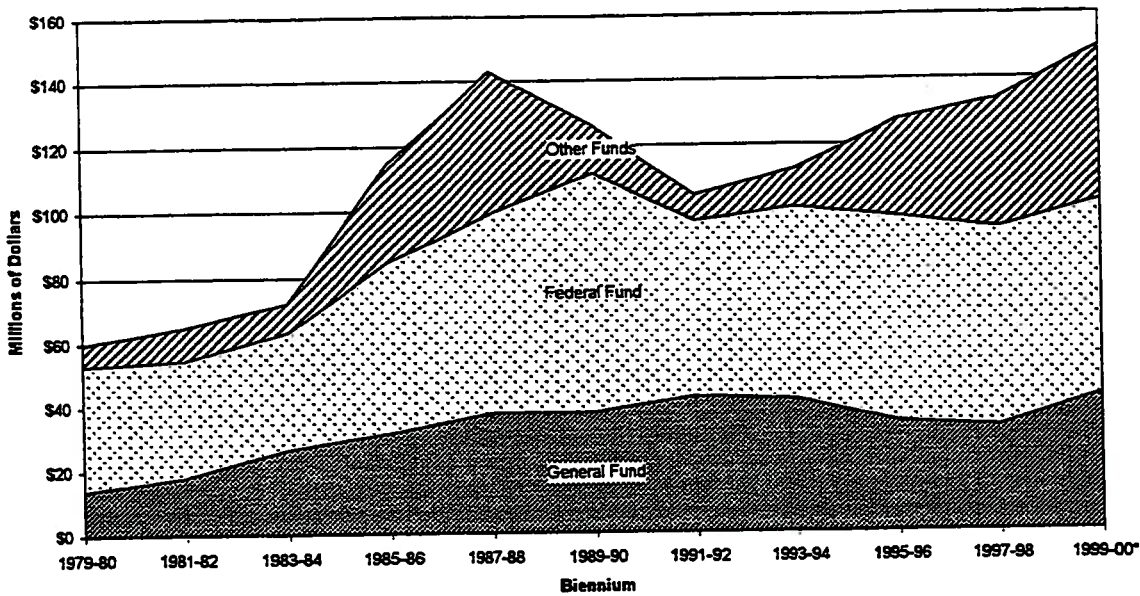
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures
Category 5 - Employment, Economic Development, and Commerce
 FY 1979/80 - 1999/00*

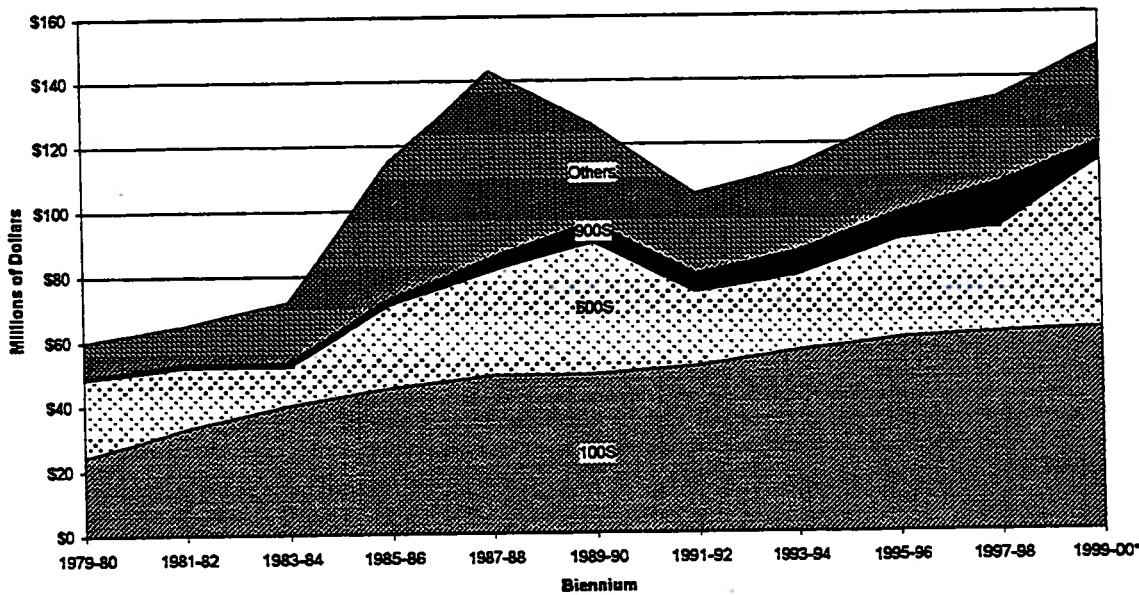
Graph 5E

Fund Sources



■ General Fund □ Federal Fund ▨ Other Funds

Expenditure Series



■ 100S □ 600S □ 700S ■ 900S ▨ Others

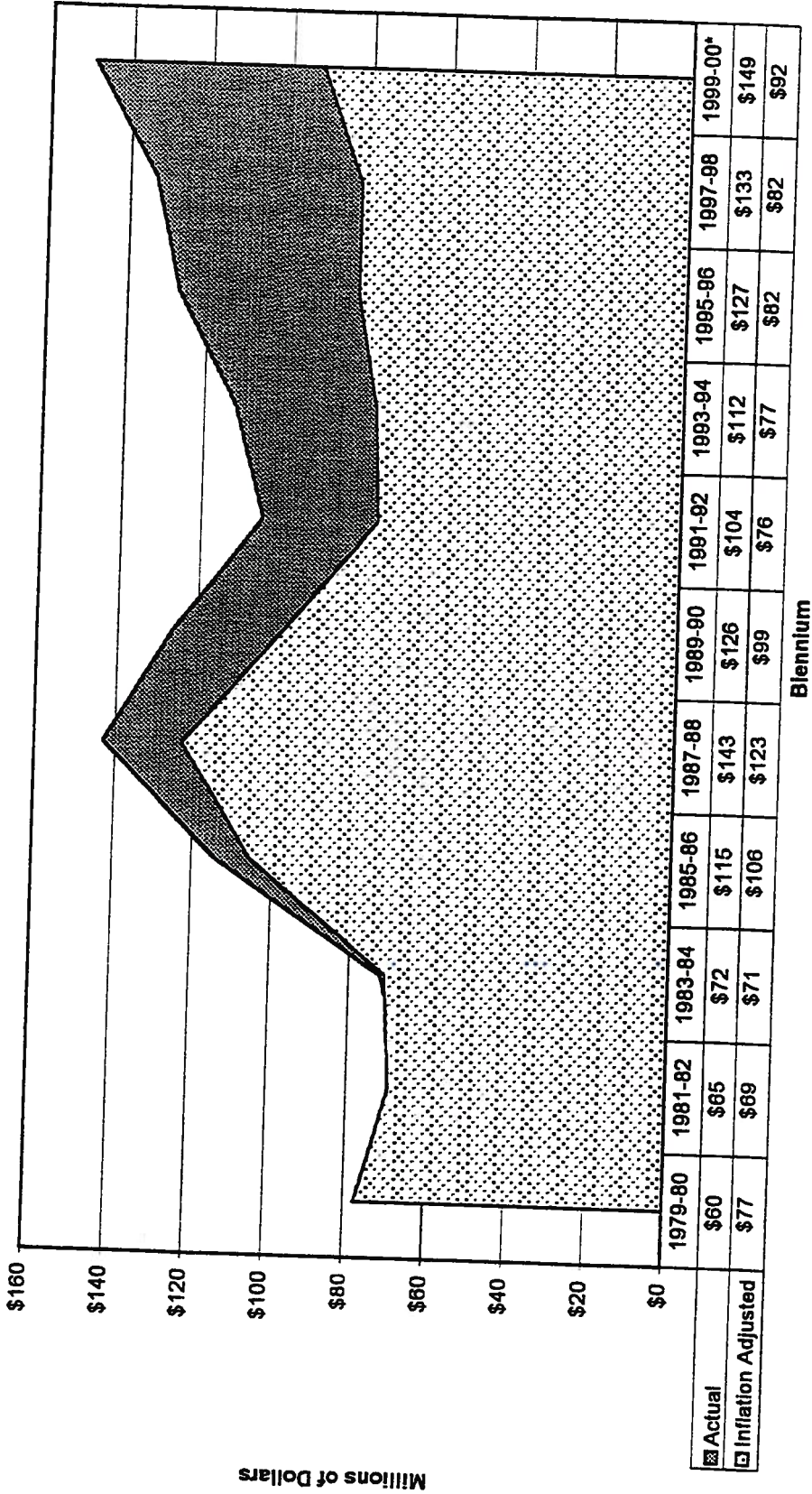
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 5 Includes: Dept. Commerce & Business Council, Dept. Employment, Public Service Commission, Insurance Dept. Oil and Gas Conservation, Dept. of Fire Prevention and Electrical Safety.

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

Total Category 5 - Employment, Economic Development and Commerce
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)



Actual Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 5 Includes: Dept. Commerce & Business Council, Dept. Employment, Public Service Commission, Insurance Dept
 Oil and Gas Conservation, Dept. of Fire Prevention and Electrical Safety.

State Historical Expenditures

Chart 6E

Category 6 - Natural Resources, Environment, and Recreation

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$15,733,972	\$4,176,148	\$24,734,958	\$44,645,078	621	285
1981-82	\$22,557,380	\$10,172,985	\$30,427,078	\$63,157,443	670	286
1983-84	\$29,117,861	\$16,598,296	\$36,931,978	\$82,648,135	752	86
1985-86	\$31,540,073	\$41,618,944	\$51,028,421	\$124,187,438	719	182
1987-88	\$29,240,360	\$90,543,039	\$32,412,501	\$152,195,900	723	76
1989-90	\$29,605,660	\$75,583,625	\$43,662,022	\$148,851,307	726	29
1991-92	\$27,890,882	\$58,520,182	\$62,574,659	\$148,985,723	749	56
1993-94	\$30,200,559	\$58,124,645	\$68,541,518	\$156,866,722	775	137
1995-96	\$21,968,176	\$52,218,421	\$98,726,002	\$172,912,599	809	44
1997-98	\$24,345,520	\$68,794,740	\$94,200,413	\$187,340,673	788	118
1999-00 *	\$27,497,666	\$56,746,982	\$62,220,907	\$146,465,555	488	43

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	\$25,079,624	\$2,453,085	\$1,411,480	\$3,366,134	\$12,334,755	\$44,645,078
1981-82	\$34,478,964	\$3,765,582	\$1,711,591	\$6,500,907	\$16,700,399	\$63,157,443
1983-84	\$41,439,840	\$5,568,133	\$1,915,083	\$13,435,017	\$20,290,062	\$82,648,135
1985-86	\$45,474,264	\$4,024,296	\$2,176,979	\$50,828,992	\$21,682,907	\$124,187,438
1987-88	\$46,645,258	\$6,214,135	\$28,521,592	\$47,759,972	\$23,054,943	\$152,195,900
1989-90	\$50,332,100	\$3,967,642	\$45,758,123	\$19,291,604	\$29,501,838	\$148,851,307
1991-92	\$60,904,974	\$4,919,904	\$25,368,535	\$21,810,502	\$35,981,808	\$148,985,723
1993-94	\$68,374,058	\$5,587,791	\$18,041,635	\$30,102,198	\$34,761,040	\$156,866,722
1995-96	\$69,420,447	\$33,942,763	\$3,480,652	\$32,432,933	\$33,635,804	\$172,912,599
1997-98	\$73,023,769	\$9,164,433	\$21,420,744	\$50,113,481	\$33,618,246	\$187,340,673
1999-00 *	\$42,131,355	\$40,447,948	\$0	\$49,860,840	\$14,025,412	\$146,465,555

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 6 includes: Game and Fish, Ag, DEQ, Environ. Council, State Engineer, Water Devel., State Loan & Investment Office, State Geological Survey.

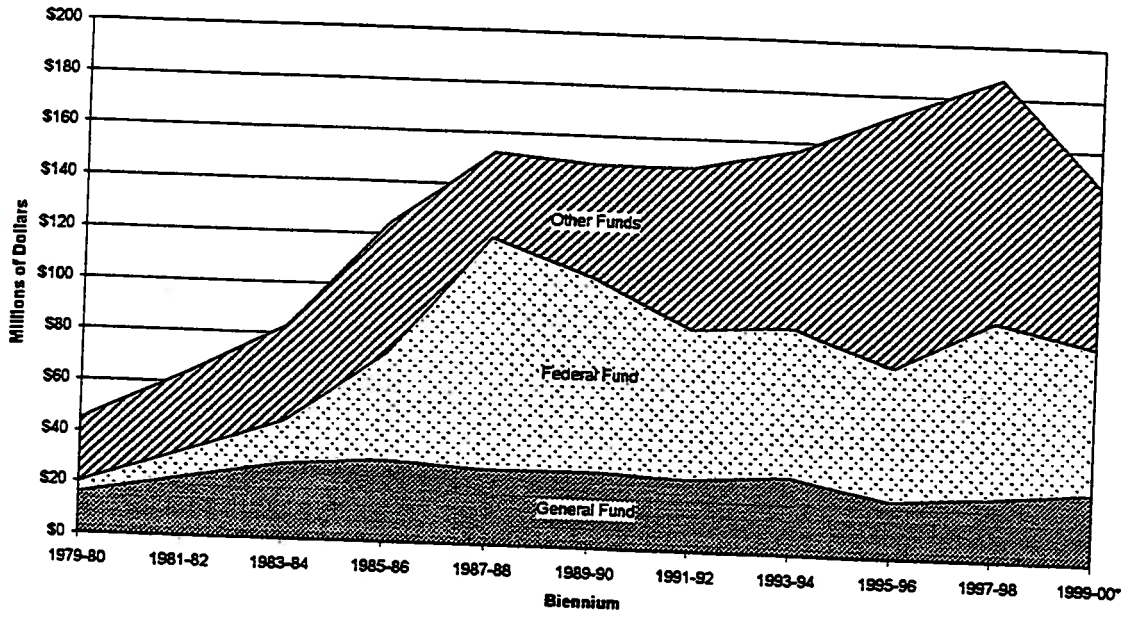
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures
Category 6 - Natural Resources, Environment, and Recreation
 FY 1979/80 - 1999/00*

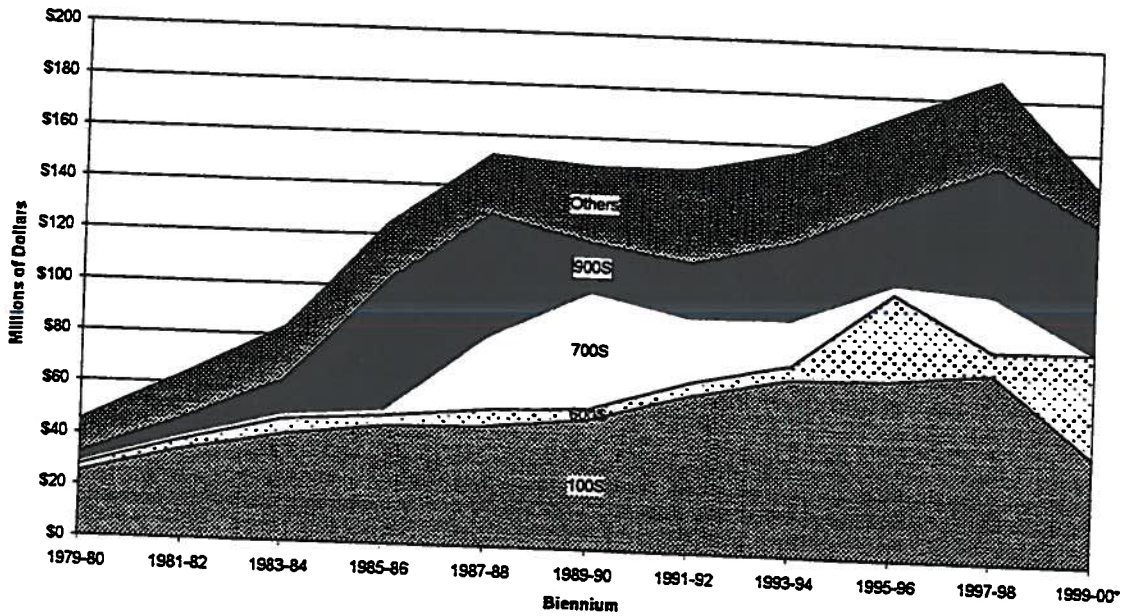
Graph 6E

Fund Sources



■ General Fund □ Federal Fund ▨ Other Funds

Expenditure Series



■ 100S □ 600S □ 700S ■ 900S ▨ Others

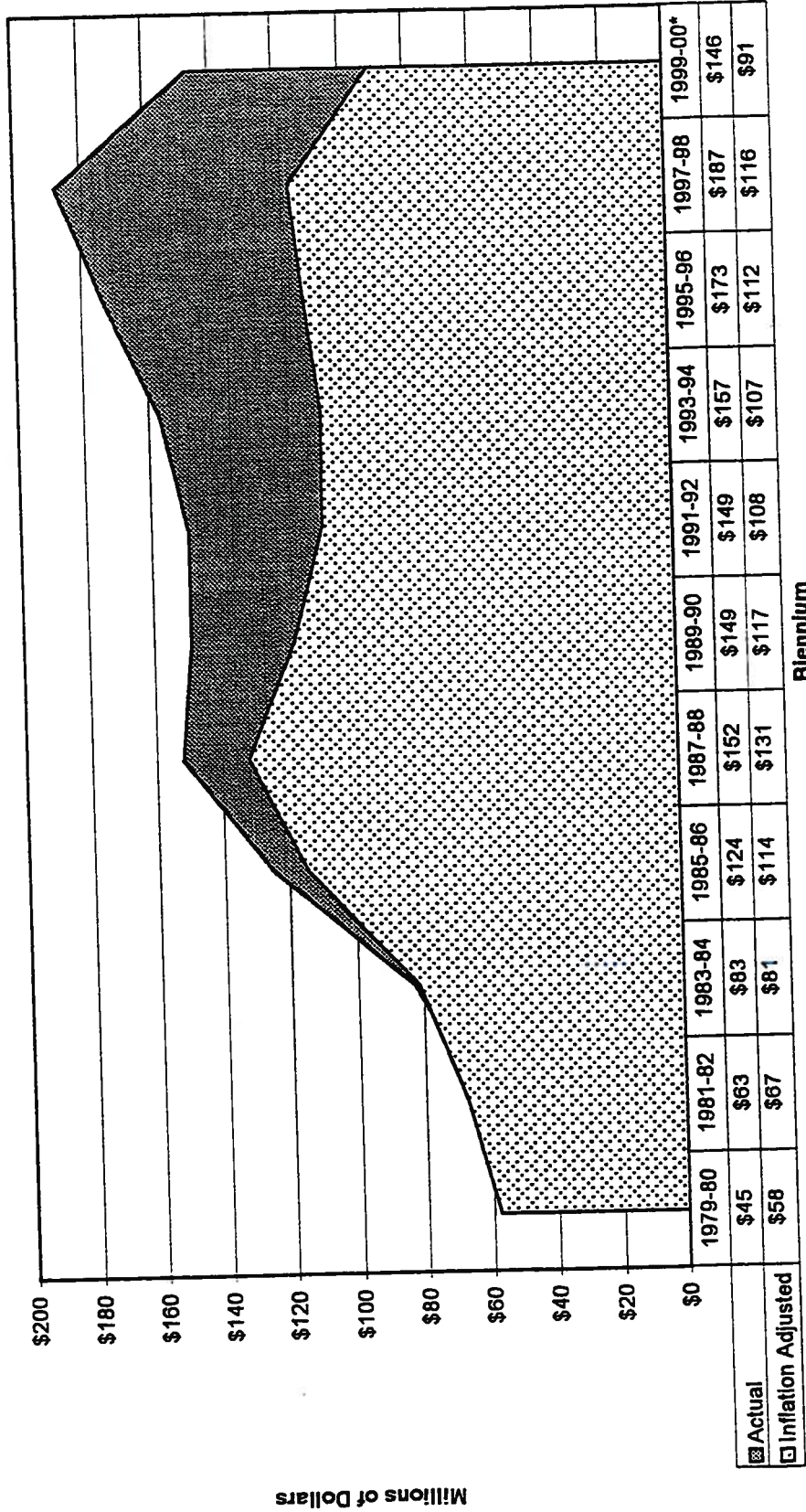
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 6 includes: Game and Fish, Ag, DEQ, Environ. Council, State Engineer, Water Devel., State Loan & Investment Office, State Geological Survey.

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
Total Category 6 - Natural Resources, Environment, and Recreation
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)**



Actual Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 6 Includes: Game and Fish, Ag, DEQ, Environ. Council, State Engineer, Water Devel., State Loan & Investment Office, State Geological Survey.

State Historical Expenditures

Chart 7E

Category 7 - Transportation

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$9,207,601	\$105,724,094	\$226,894,589	\$341,826,284	1,809	133
1981-82	\$13,302,270	\$119,675,902	\$255,915,629	\$388,893,801	1,830	133
1983-84	\$12,295,920	\$153,101,374	\$345,434,534	\$510,831,828	2,001	102
1985-86	\$7,636,997	\$179,616,939	\$388,196,909	\$575,450,845	1,790	142
1987-88	\$7,387,571	\$151,085,489	\$330,776,748	\$489,249,808	2,305	116
1989-90	\$4,081,780	\$160,080,947	\$354,011,073	\$518,173,800	2,092	100
1991-92	\$0	\$200,245,181	\$321,944,624	\$522,189,805	2,372	300
1993-94	\$0	\$207,863,971	\$313,974,147	\$521,838,118	2,147	385
1995-96	\$0	\$238,739,135	\$309,839,735	\$548,578,870	1,975	406
1997-98	\$0	\$272,461,264	\$354,804,580	\$627,265,844	1,694	385
1999-00 *	\$0	\$360,636,540	\$362,986,560	\$723,623,100	1,694	385

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	\$72,276,871	\$14,381,634	\$6,408,551	\$190,426,356	\$58,332,872	\$341,826,284
1981-82	\$82,417,265	\$14,594,746	\$7,300,002	\$216,927,378	\$67,654,410	\$388,893,801
1983-84	\$108,853,586	\$17,842,863	\$9,644,281	\$286,645,177	\$87,845,921	\$510,831,828
1985-86	\$123,355,378	\$16,664,428	\$10,931,107	\$324,889,931	\$99,610,001	\$575,450,845
1987-88	\$104,918,246	\$14,446,709	\$9,283,263	\$275,950,509	\$84,651,081	\$489,249,808
1989-90	\$114,101,871	\$0	\$10,156,207	\$301,784,421	\$92,131,301	\$518,173,800
1991-92	\$114,986,195	\$0	\$10,234,920	\$304,123,342	\$92,845,348	\$522,189,805
1993-94	\$114,908,754	\$0	\$10,228,027	\$303,918,520	\$92,782,817	\$521,838,118
1995-96	\$120,797,067	\$0	\$10,752,145	\$319,492,335	\$97,537,323	\$548,578,870
1997-98	\$138,123,939	\$0	\$12,294,410	\$365,319,628	\$111,527,867	\$627,265,844
1999-00 *	\$159,341,807	\$0	\$14,183,012	\$421,438,094	\$128,660,187	\$723,623,100

* Information for 1999-00 Biennium is the same as 1997-98 Biennium expenditures.

Category 7 Includes Department of Transportation and related agencies prior to 1989-90 reorganization, and Department of Transportation for bienniums after 1989-90.

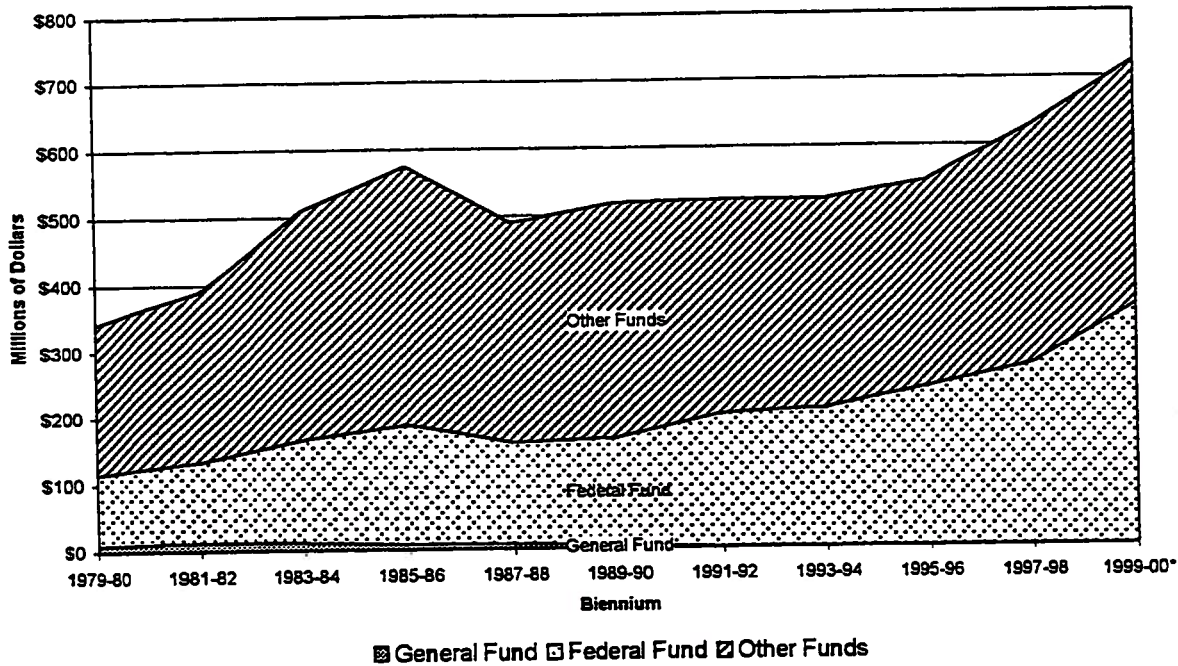
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

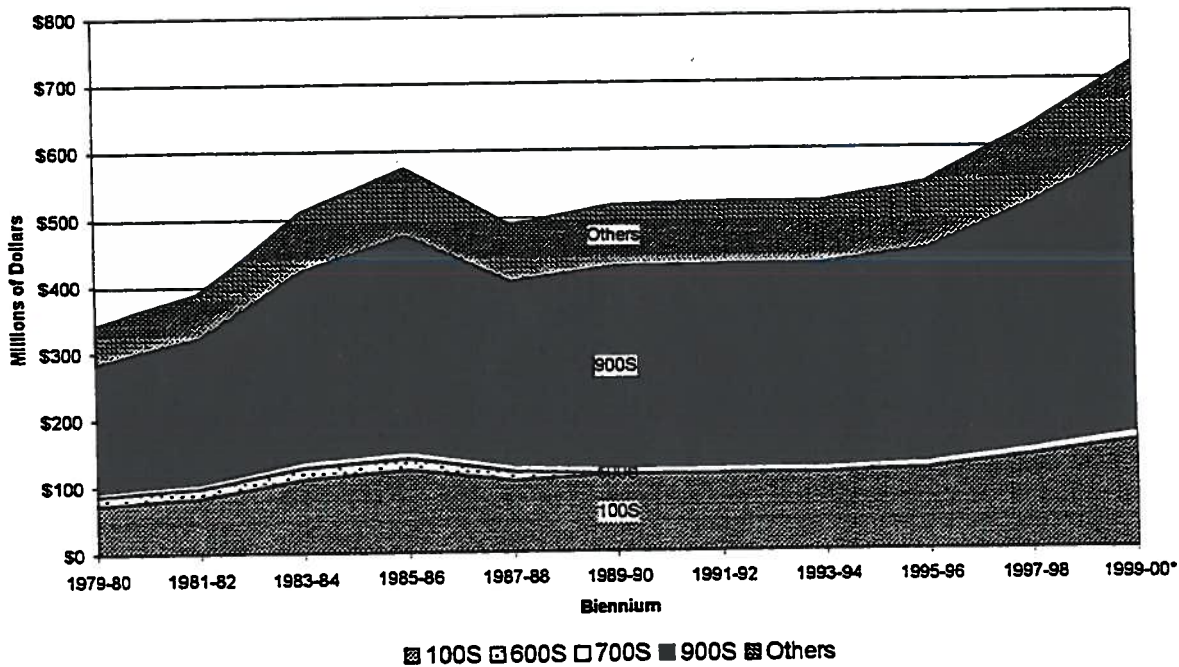
**State Historical Expenditures
Category 7 - Transportation
FY 1979/80 - 1999/00***

Graph 7E

Fund Sources



Expenditure Series



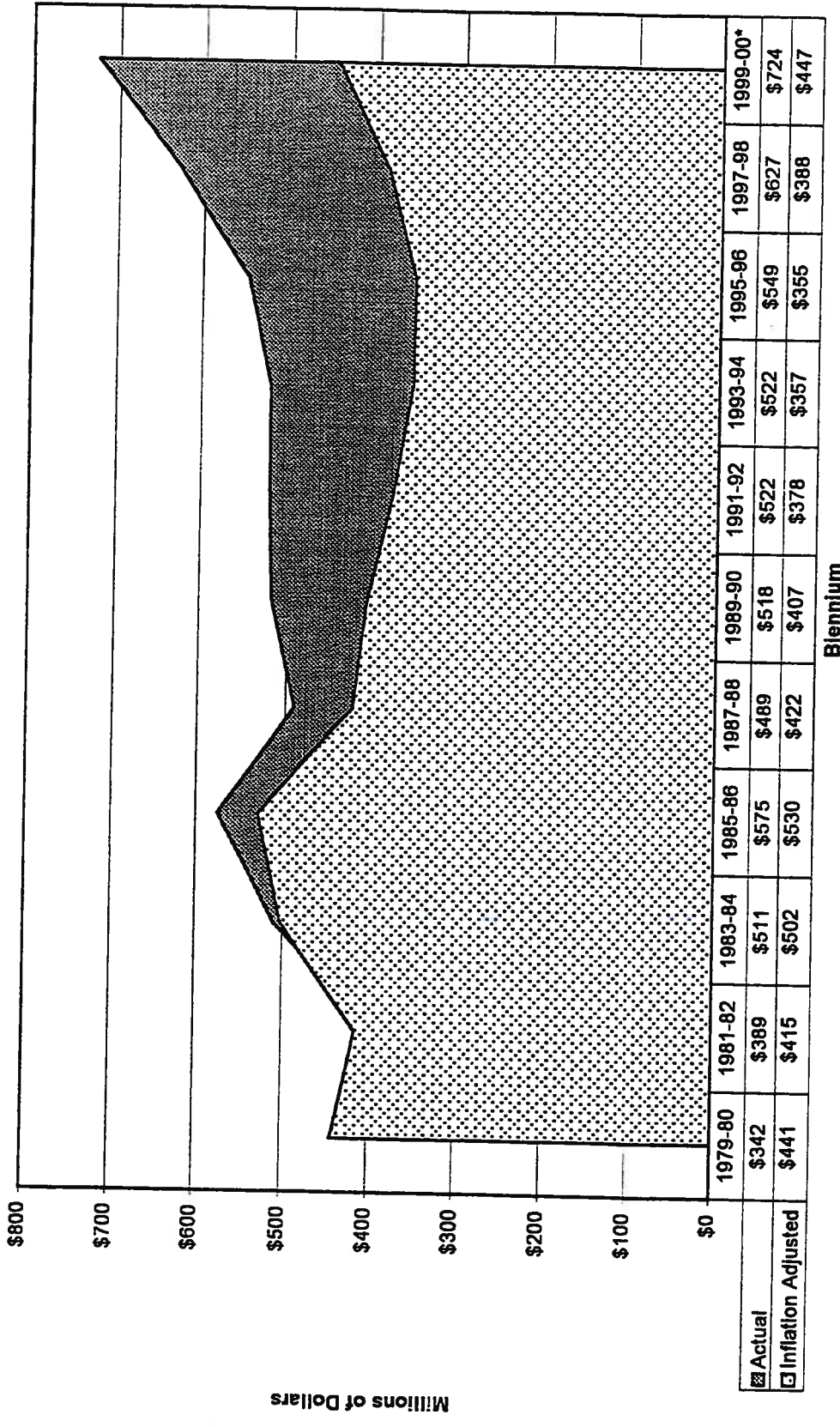
* Information for 1999-00 Biennium is the same as 1997-98 Biennium expenditures.

Category 7 Includes Department of Transportation.

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
Total Category 7 - Transportation
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)**



Actual Inflation Adjusted

* Information for 1999-00 Biennium is the same as 1997-98 Biennium expenditures.

Category 7 Includes Department of Transportation.

State Historical Expenditures

Chart 8E

Category 8 - General Government

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$59,286,565	\$6,870,900	\$90,109,440	\$156,266,905	1,166	286
1981-82	\$93,043,355	\$7,354,559	\$115,377,957	\$215,775,871	1,059	180
1983-84	\$109,483,007	\$7,637,538	\$135,372,626	\$252,493,171	1,110	110
1985-86	\$114,282,654	\$11,511,780	\$135,043,619	\$260,838,053	1,127	121
1987-88	\$103,338,727	\$8,801,576	\$132,817,627	\$244,957,930	900	112
1989-90	\$100,309,339	\$8,428,488	\$161,167,841	\$269,905,668	947	98
1991-92	\$82,395,973	\$9,108,877	\$180,365,028	\$271,869,878	916	87
1993-94	\$67,688,018	\$10,339,762	\$218,061,242	\$296,089,022	915	68
1995-96	\$68,215,327	\$11,917,544	\$220,508,975	\$300,641,846	902	83
1997-98	\$63,453,824	\$14,049,745	\$236,822,583	\$314,326,152	848	77
1999-00 *	\$75,938,080	\$22,092,303	\$260,017,642	\$358,048,025	870	74

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	\$33,603,476	\$21,712,858	\$503,016	\$2,941,241	\$97,506,314	\$156,266,905
1981-82	\$44,455,797	\$36,877,625	\$37,955	\$4,477,451	\$129,927,043	\$215,775,871
1983-84	\$54,570,587	\$33,738,490	\$16,908	\$5,125,214	\$159,041,972	\$252,493,171
1985-86	\$59,177,350	\$27,034,185	\$10,500	\$9,809,998	\$164,806,020	\$260,838,053
1987-88	\$59,296,519	\$22,702,784	\$676	\$9,729,001	\$153,228,950	\$244,957,930
1989-90	\$58,693,678	\$18,135,865	\$0	\$9,988,213	\$183,087,912	\$269,905,668
1991-92	\$55,921,366	\$15,163,163	\$9,748	\$10,714,570	\$190,061,031	\$271,869,878
1993-94	\$57,264,440	\$7,288,048	\$0	\$11,985,618	\$219,550,916	\$296,089,022
1995-96	\$55,205,465	\$7,539,651	\$0	\$12,525,225	\$225,371,505	\$300,641,846
1997-98	\$63,576,874	\$9,557,123	\$74,941	\$9,267,048	\$231,850,166	\$314,326,152
1999-00 *	\$70,018,415	\$16,291,590	\$0	\$27,220,674	\$244,517,346	\$358,048,025

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 8 includes: A&I, Dept of Audit, Dept. of Revenue, State Board of Equalization, Governor's Office, State Auditor's Office, State Treasurer's Office, Retirement System, State Employees Group Ins., Adjutant General, Administrative Hearings, and Legislative Branch.

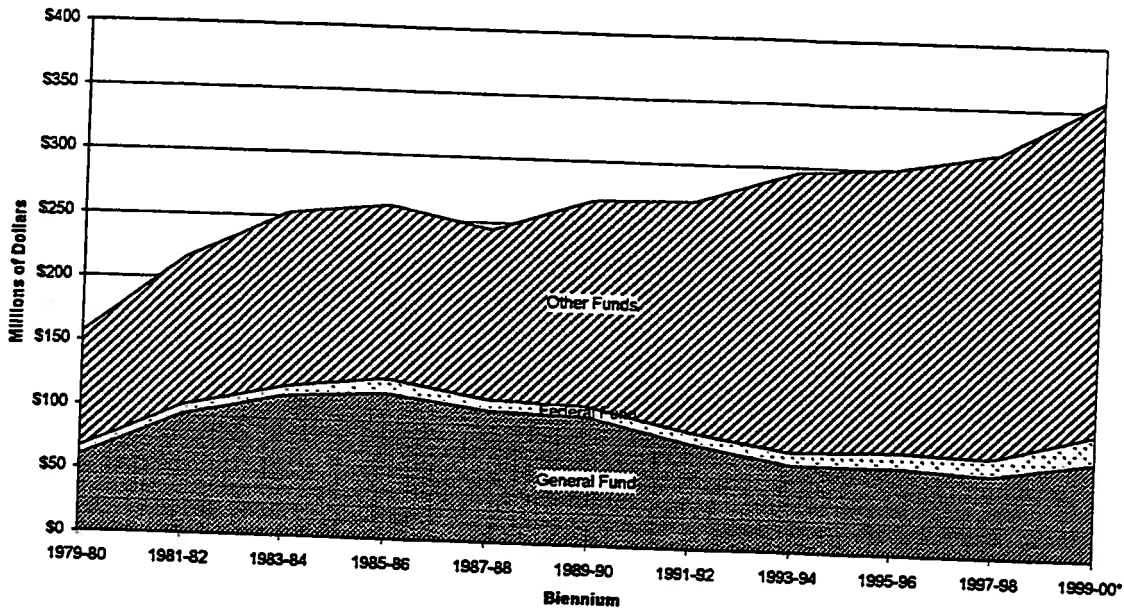
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
Category 8 - General Government
FY 1979/80 - 1999/00***

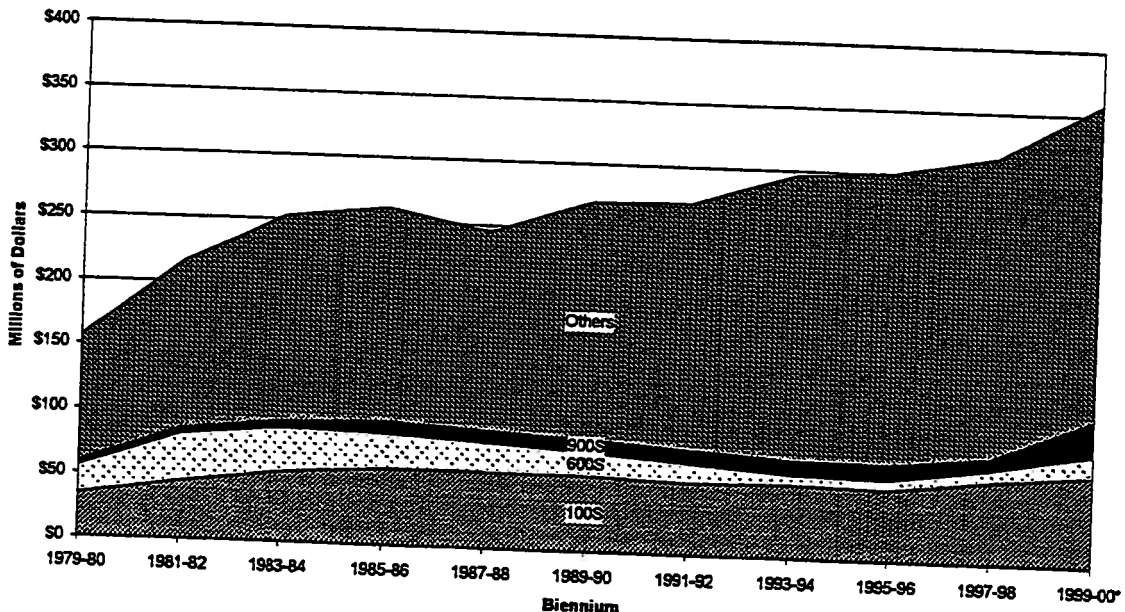
Graph 8E

Fund Sources



General Fund
 Federal Fund
 Other Funds

Expenditure Series



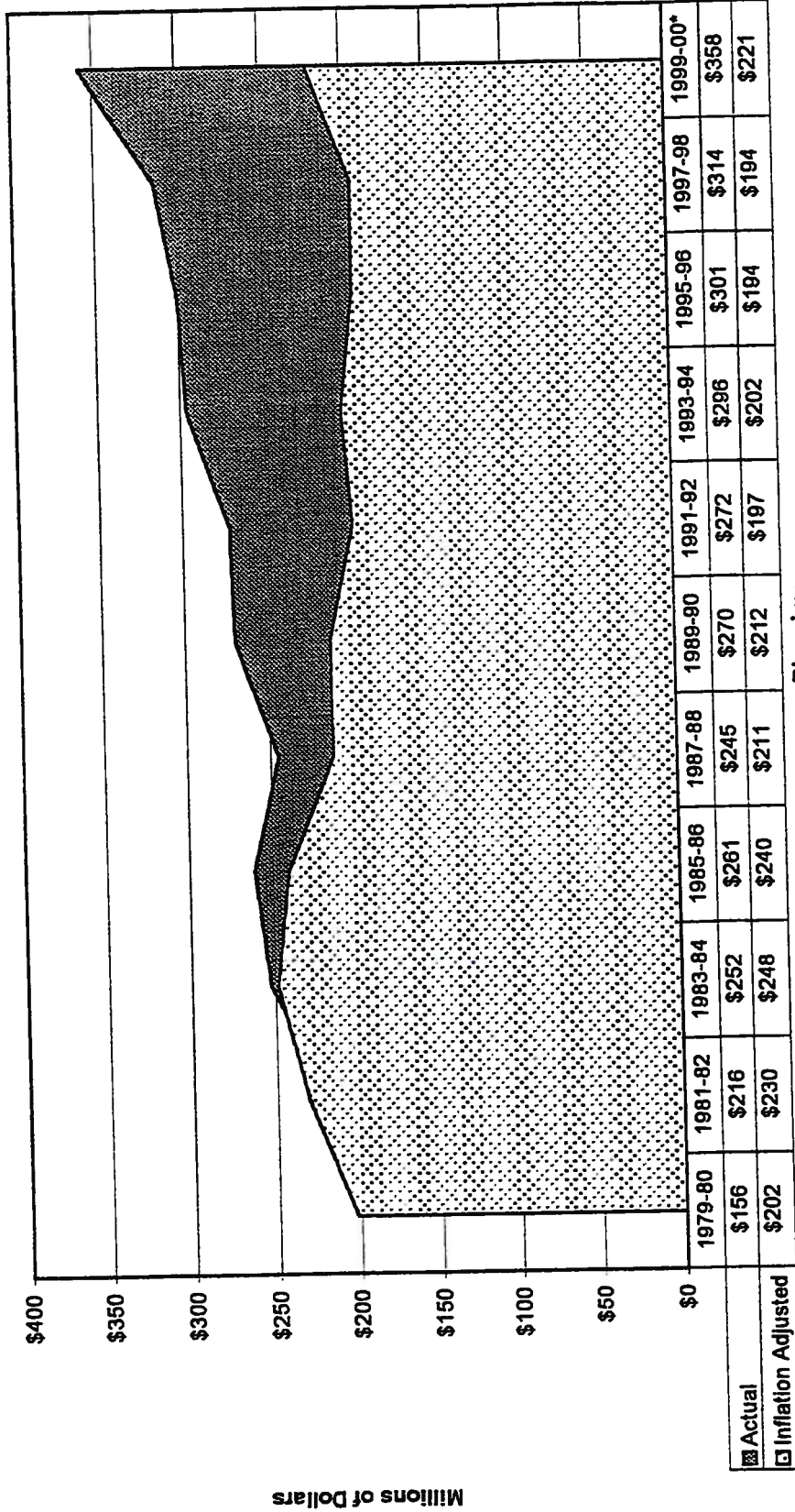
100S
 600S
 700S
 900S
 Others

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 8 includes: A&I, Dept of Audit, Dept. of Revenue, State Board of Equalization, Governor's Office, State Auditor's Office, State Treasurer's Office, Retirement System, State Employees Group Ins., Adjutant General, Administrative Hearings, and Legislative Branch.

Expenditure Series Codes:
 100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
Total Category 8 - General Government
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)**



Actual Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 8 Includes: A&I, Dept of Audit, Dept. of Revenue, State Board of Equalization, Governor's Office, State Auditor's Office,

State Historical Expenditures

Chart 9E

Totals for State Governmental Expenditure Categories

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	\$384,482,143	\$303,701,312	\$559,778,899	\$1,247,962,354	8,385	5,102
1981-82	\$504,292,337	\$310,711,152	\$696,370,468	\$1,511,373,957	9,094	5,100
1983-84	\$602,306,843	\$339,555,357	\$1,006,223,216	\$1,948,085,416	9,683	4,782
1985-86	\$664,534,886	\$455,895,645	\$1,229,058,063	\$2,349,488,594	9,671	5,245
1987-88	\$732,115,638	\$518,241,454	\$1,129,044,825	\$2,379,401,917	10,184	5,109
1989-90	\$700,285,861	\$589,648,848	\$1,229,935,993	\$2,519,870,702	9,923	4,853
1991-92	\$752,256,632	\$691,402,462	\$1,343,367,560	\$2,787,026,654	10,382	4,976
1993-94	\$889,939,159	\$798,550,440	\$1,365,970,308	\$3,054,459,907	10,277	4,981
1995-96	\$949,275,518	\$848,849,833	\$1,385,067,592	\$3,183,192,943	10,051	4,946
1997-98	\$930,752,139	\$927,346,555	\$1,528,044,716	\$3,386,143,410	10,295	4,065
1999-00 *	\$1,074,279,859	\$1,115,943,052	\$1,648,069,159	\$3,838,292,070	10,400	4,032

by Series

Biennium						Totals
	100	600	700	900	All Other	
1979-80	\$336,094,433	\$427,216,500	\$10,348,272	\$205,482,390	\$268,820,759	\$1,247,962,354
1981-82	\$431,737,280	\$498,205,148	\$10,319,168	\$244,532,177	\$326,580,184	\$1,511,373,957
1983-84	\$529,088,539	\$680,679,757	\$12,636,147	\$323,672,982	\$402,007,991	\$1,948,085,416
1985-86	\$584,135,594	\$877,489,335	\$24,196,409	\$406,484,207	\$457,183,049	\$2,349,488,594
1987-88	\$577,623,525	\$943,431,294	\$38,959,546	\$361,880,808	\$457,506,744	\$2,379,401,917
1989-90	\$605,213,483	\$991,574,481	\$60,398,680	\$375,953,326	\$486,730,732	\$2,519,870,702
1991-92	\$663,478,785	\$1,184,045,797	\$38,081,031	\$404,067,017	\$497,354,024	\$2,787,026,654
1993-94	\$713,973,383	\$1,346,133,031	\$32,045,866	\$426,616,377	\$535,691,250	\$3,054,459,907
1995-96	\$756,296,863	\$1,410,174,425	\$28,878,785	\$437,389,537	\$550,453,333	\$3,183,192,943
1997-98	\$802,402,610	\$1,424,805,317	\$40,217,494	\$526,243,181	\$592,474,808	\$3,386,143,410
1999-00 *	\$874,173,135	\$1,669,831,807	\$19,291,969	\$611,797,223	\$663,197,936	\$3,838,292,070

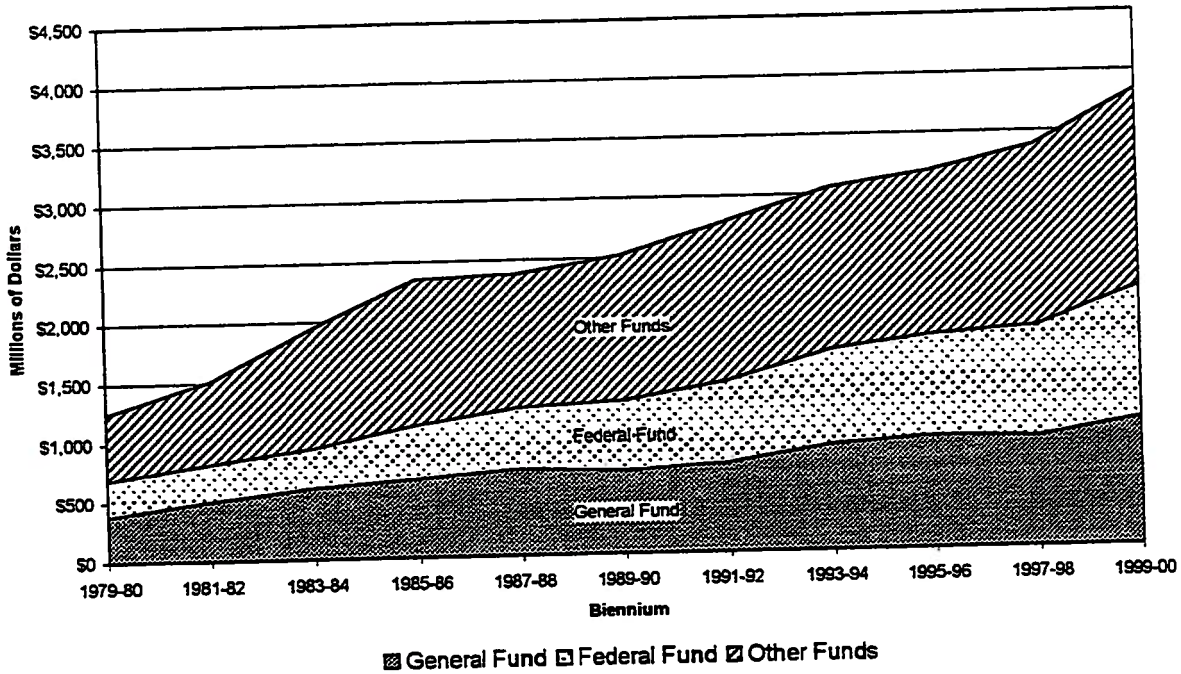
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Expenditure Series Codes:

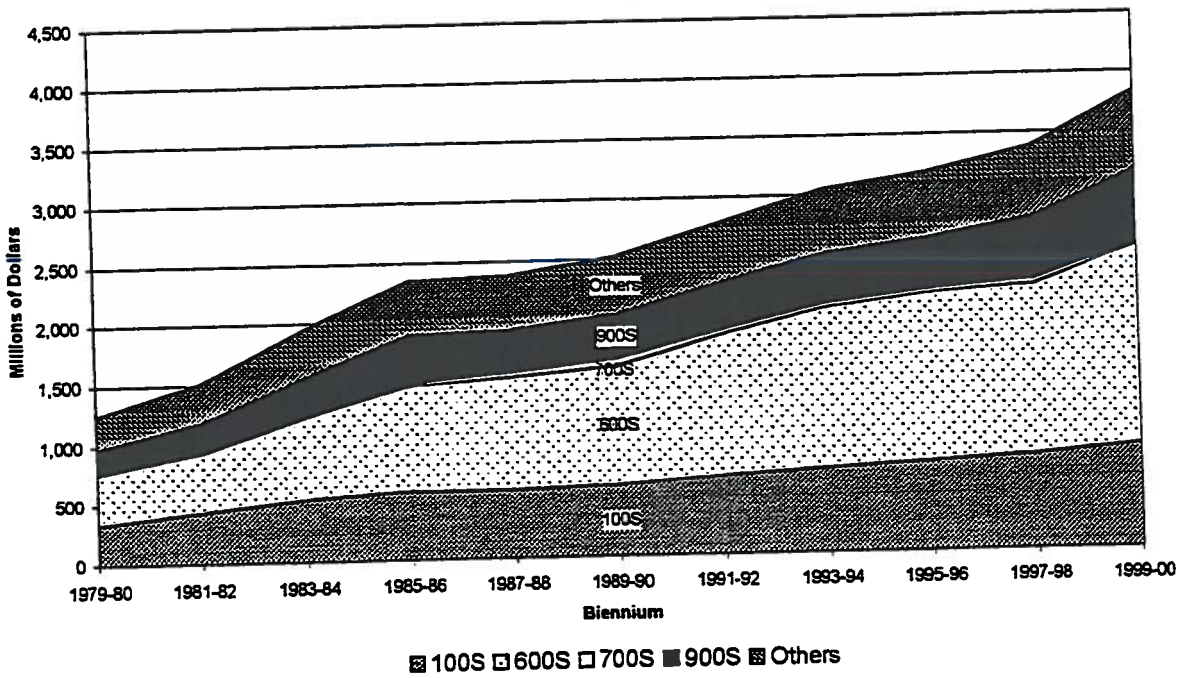
100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures All State Governmental Categories FY 1979/80 - 1999/00*

Fund Sources



Expenditure Series



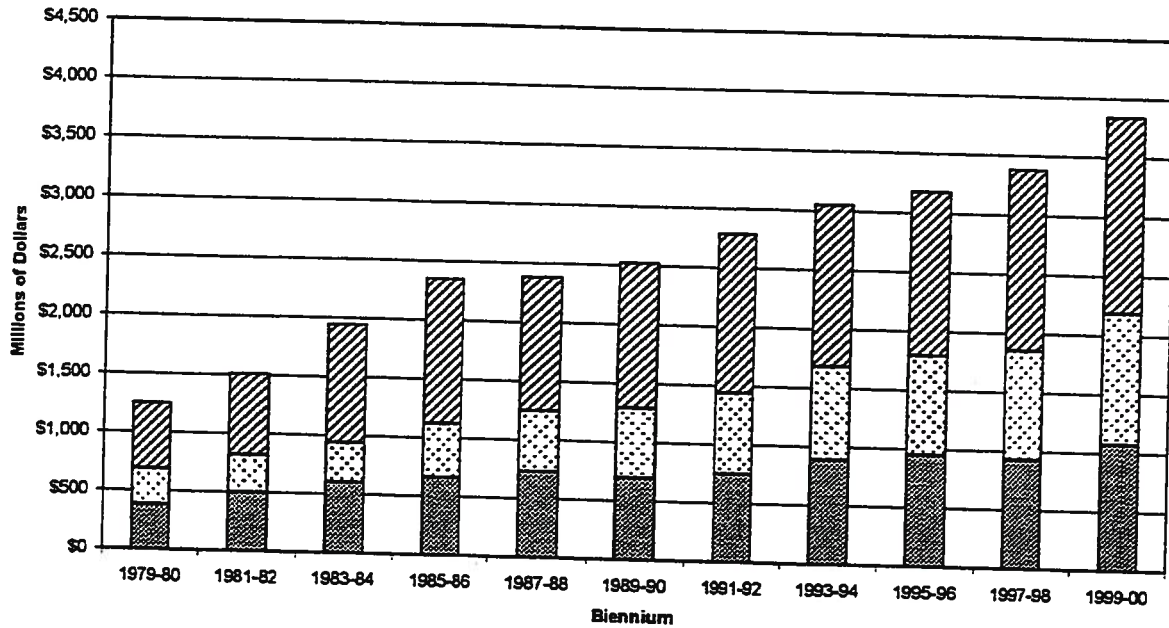
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Expenditure Series Codes:
 100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
All State Governmental Categories
FY 1979/80 - 1999/00***

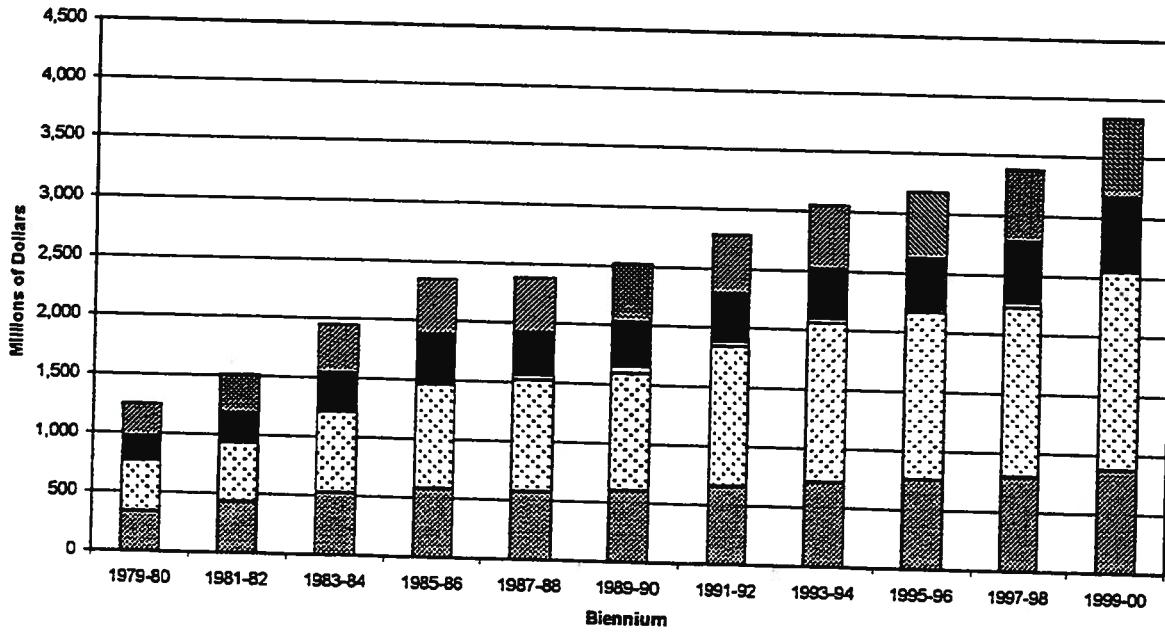
Graph 9E

Fund Sources



■ General Fund □ Federal Fund ▨ Other Funds

Expenditure Series



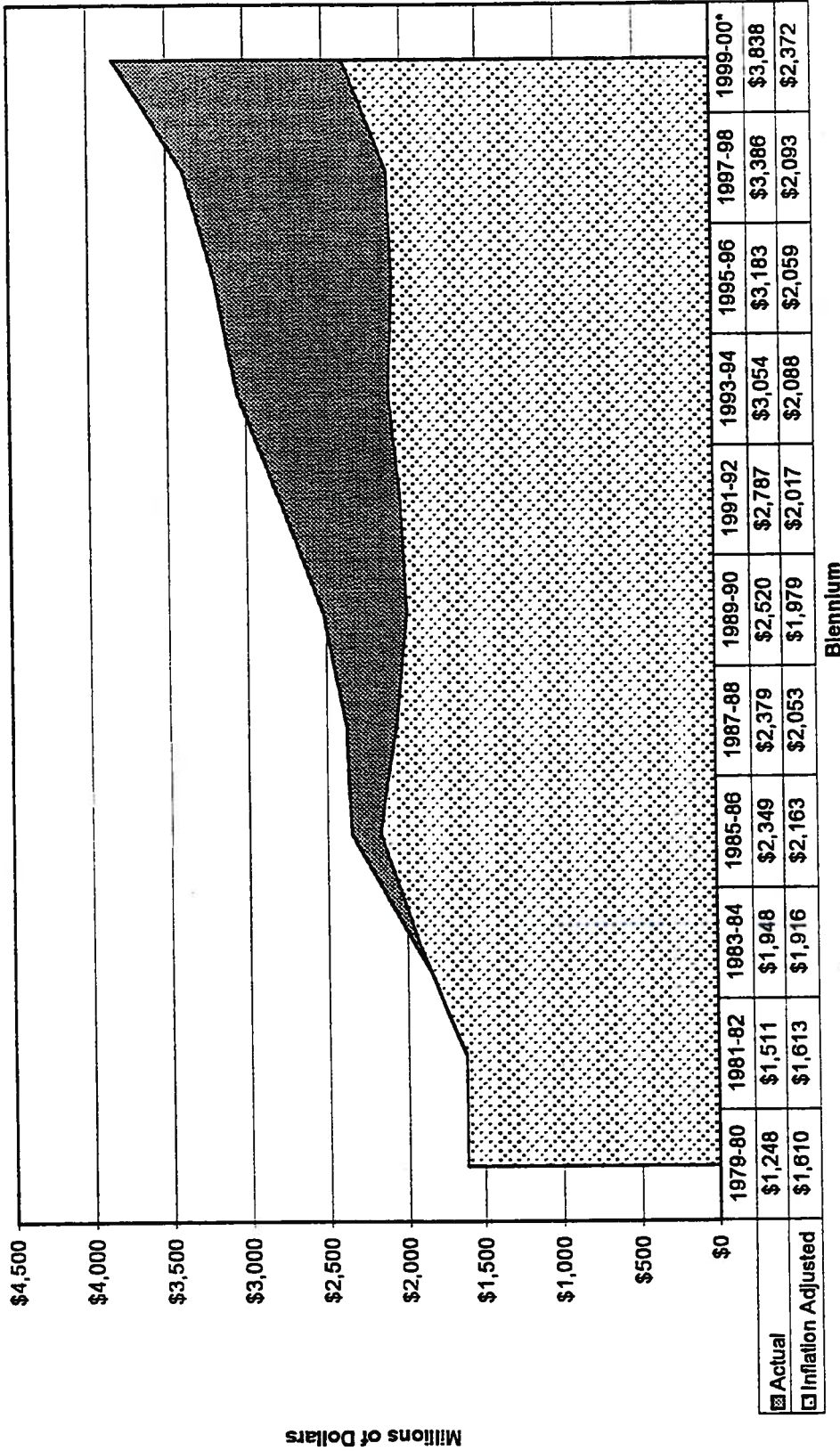
■ 100S □ 600S □ 700S ■ 900S ■ Others

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
All State Governmental Categories
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)**

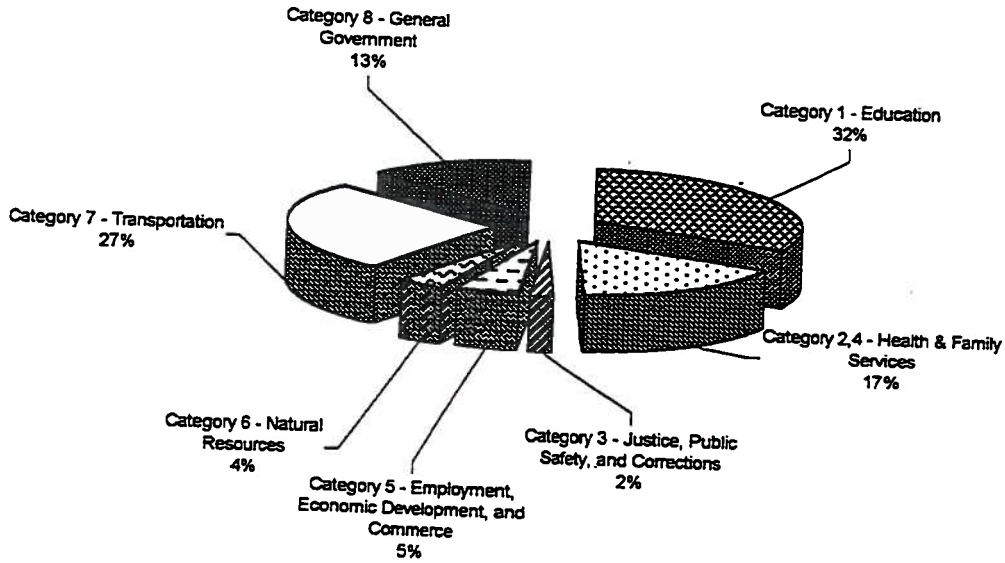


* Information for 1999-00 Biennium reflects APPROPRIATIONS.

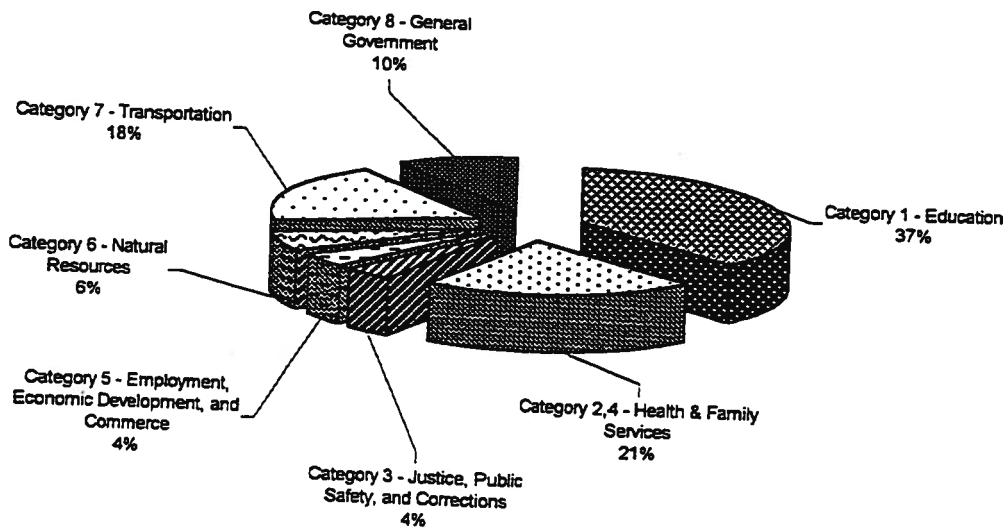
State Historical Expenditures by Governmental Category

Graph 9AE

1979/80 Total Expenditures - All Funds



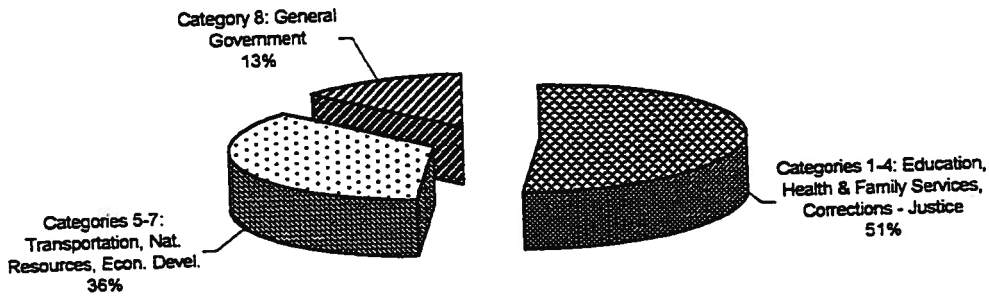
1997-98 Total Expenditures - All Funds



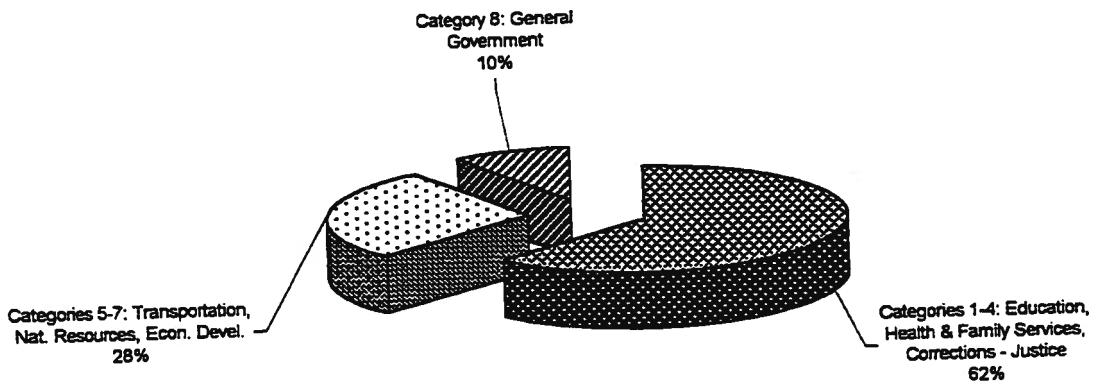
State Historical Expenditures by Grouped Governmental Category

Graph 9GAE

1979/80 Total Expenditures - All Funds



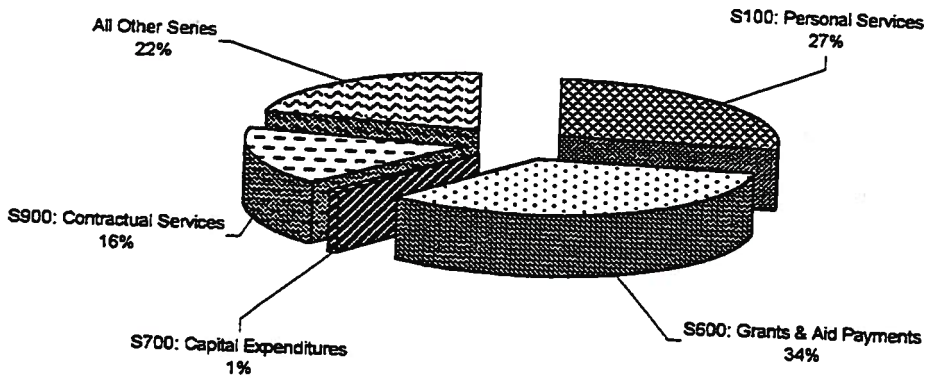
1997-98 Total Expenditures - All Funds



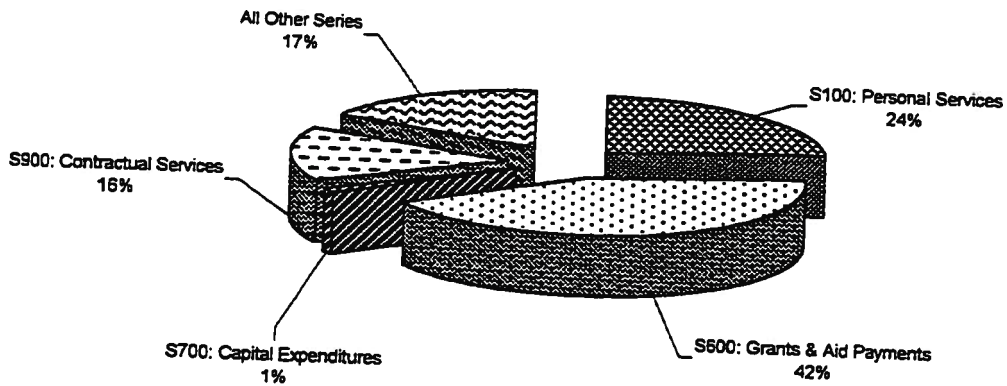
State Historical Expenditures by Series

Graph 9SE

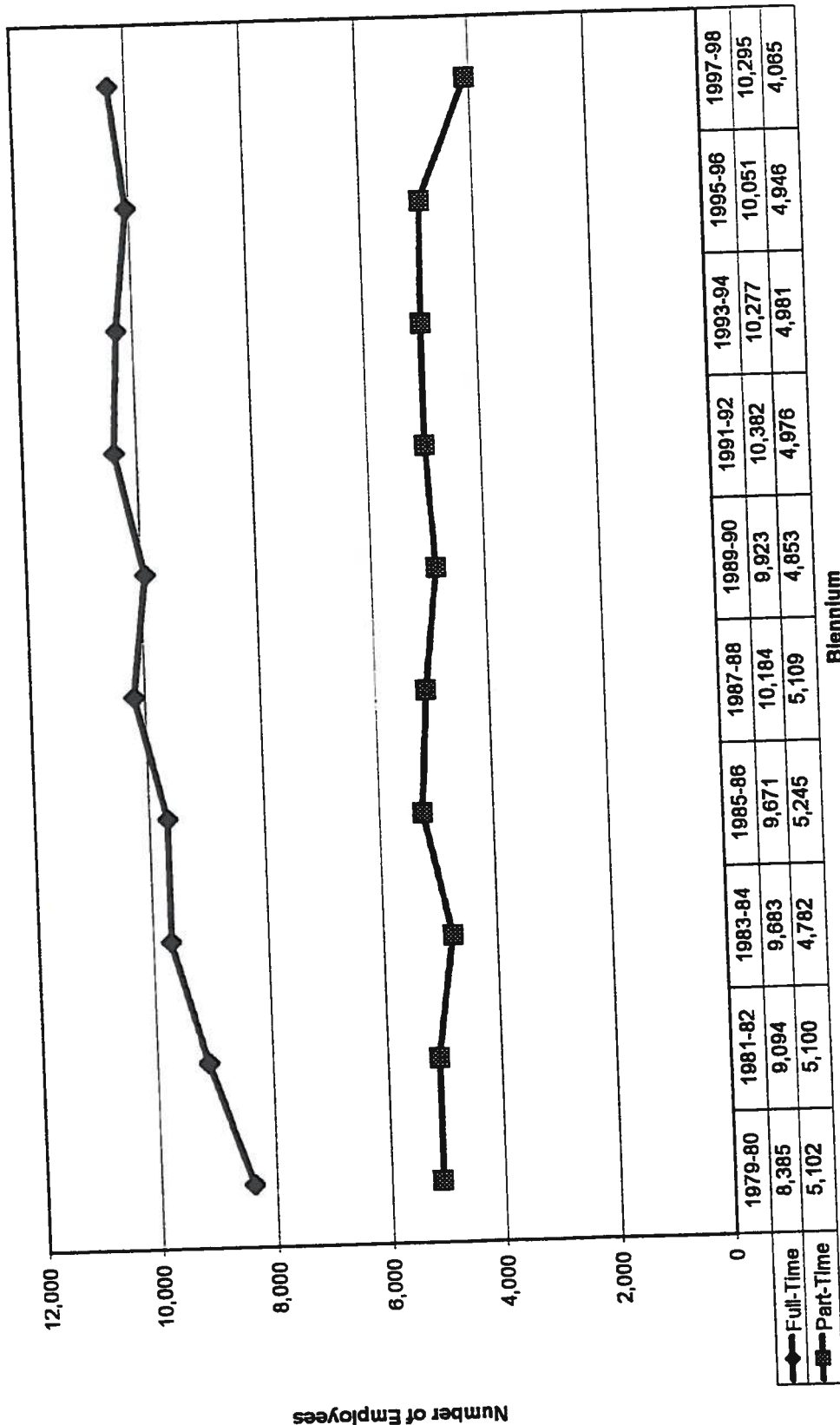
1979/80 Total Expenditures - All Funds



1997-98 Total Expenditures - All Funds



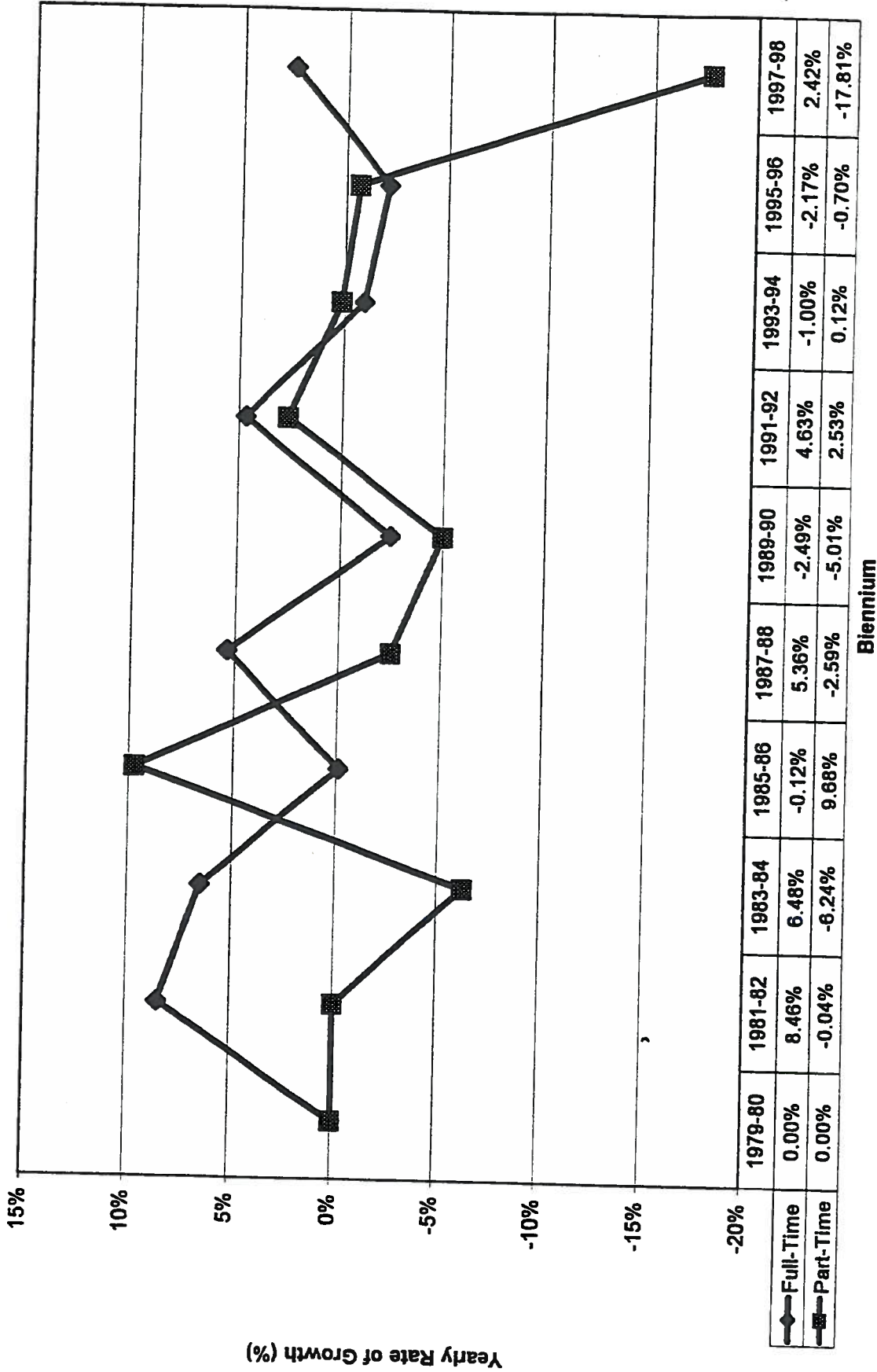
State Historical Full-Time and Part-Time Employees
Total for All State Government Categories



◆ Full-Time ■ Part-Time

Note: 97-98 Full-time data contain 358 At-Will-Employee-Contract (AWEC) employees. This number reflects all AWEC positions, some of which may be seasonal or part-time.

State Historical Full-Time and Part-Time Employee Growth Rates Totals for All State Governmental Categories



Note: 97-98 Full-Time data contain 358 At-Will-Employee-Contract (AWEC) employees. This number reflects all AWEC positions, some of which may be seasonal or part-time.

State Historical Expenditures

Chart 2E

Category 2 - Health

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	NA	NA	NA	NA	NA	NA
1981-82	NA	NA	NA	NA	NA	NA
1983-84	NA	NA	NA	NA	NA	NA
1985-86	NA	NA	NA	NA	NA	NA
1987-88	NA	NA	NA	NA	NA	NA
1989-90	NA	NA	NA	NA	NA	NA
1991-92	\$200,295,410	\$180,454,435	\$7,597,217	\$388,347,062	1,574	93
1993-94	\$250,759,917	\$256,902,119	\$6,244,755	\$513,906,791	1,604	100
1995-96	\$274,742,643	\$257,195,234	\$5,992,921	\$537,930,798	1,526	100
1997-98	\$293,766,242	\$283,237,585	\$8,540,647	\$585,544,474	1,480	103
1999-00 *	\$289,870,719	\$330,790,897	\$7,380,310	\$628,041,926	1,438	93

by Series

Biennium	100	600	700	900	All Other	Totals
1979-80	NA	NA	NA	NA	NA	NA
1981-82	NA	NA	NA	NA	NA	NA
1983-84	NA	NA	NA	NA	NA	NA
1985-86	NA	NA	NA	NA	NA	NA
1987-88	NA	NA	NA	NA	NA	NA
1989-90	NA	NA	NA	NA	NA	NA
1991-92	\$80,448,880	\$268,739,064	\$0	\$20,948,853	\$18,210,265	\$388,347,062
1993-94	\$86,854,838	\$374,950,501	\$95,861	\$30,067,272	\$21,938,319	\$513,906,791
1995-96	\$90,121,297	\$405,383,224	\$11,240	\$23,279,477	\$19,135,560	\$537,930,798
1997-98	\$89,482,183	\$451,247,700	\$0	\$23,221,007	\$21,593,584	\$585,544,474
1999-00 *	\$94,041,453	\$480,221,674	\$291,000	\$33,069,044	\$20,418,755	\$628,041,926

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 2 includes only the reorganized Department of Health (reorganization occurred in 1989-90).

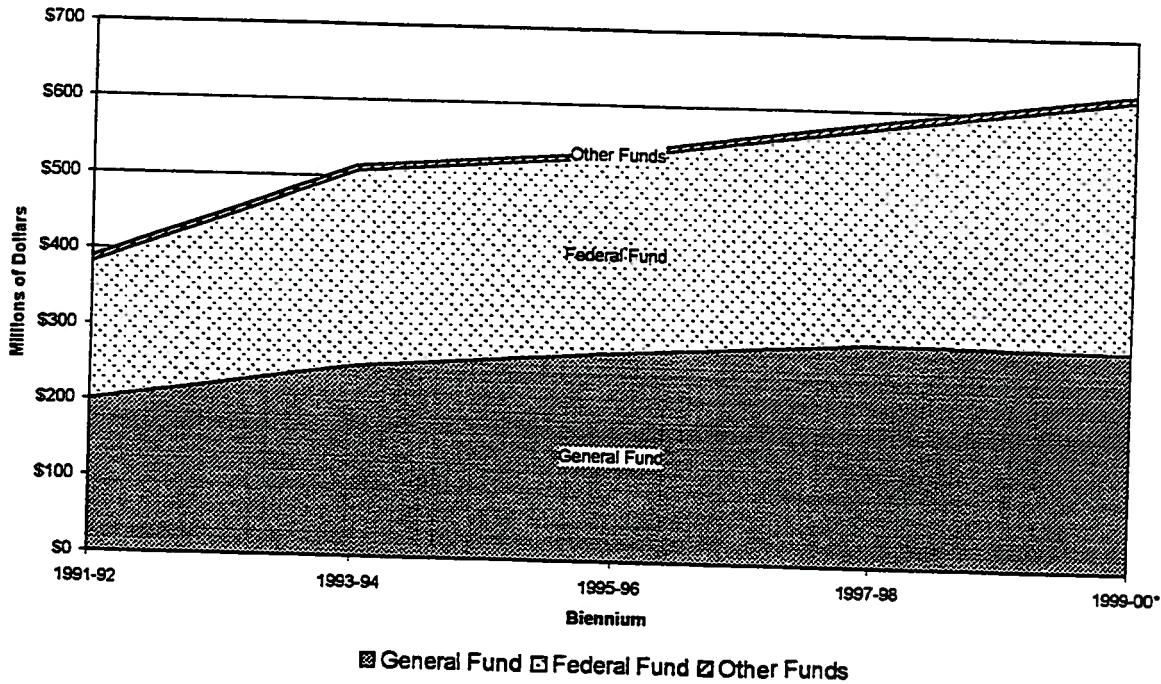
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

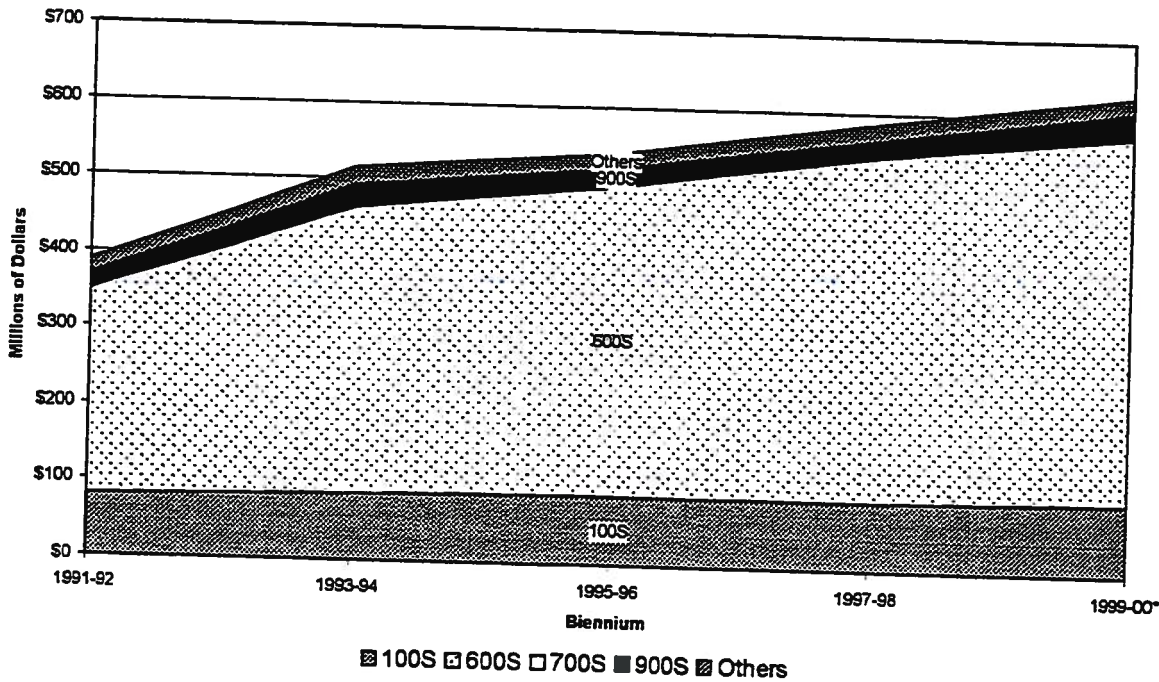
**State Historical Expenditures
Category 2 - Health
FY 1979/80 - 1999/00***

Graph 2E

Fund Sources



Expenditure Series



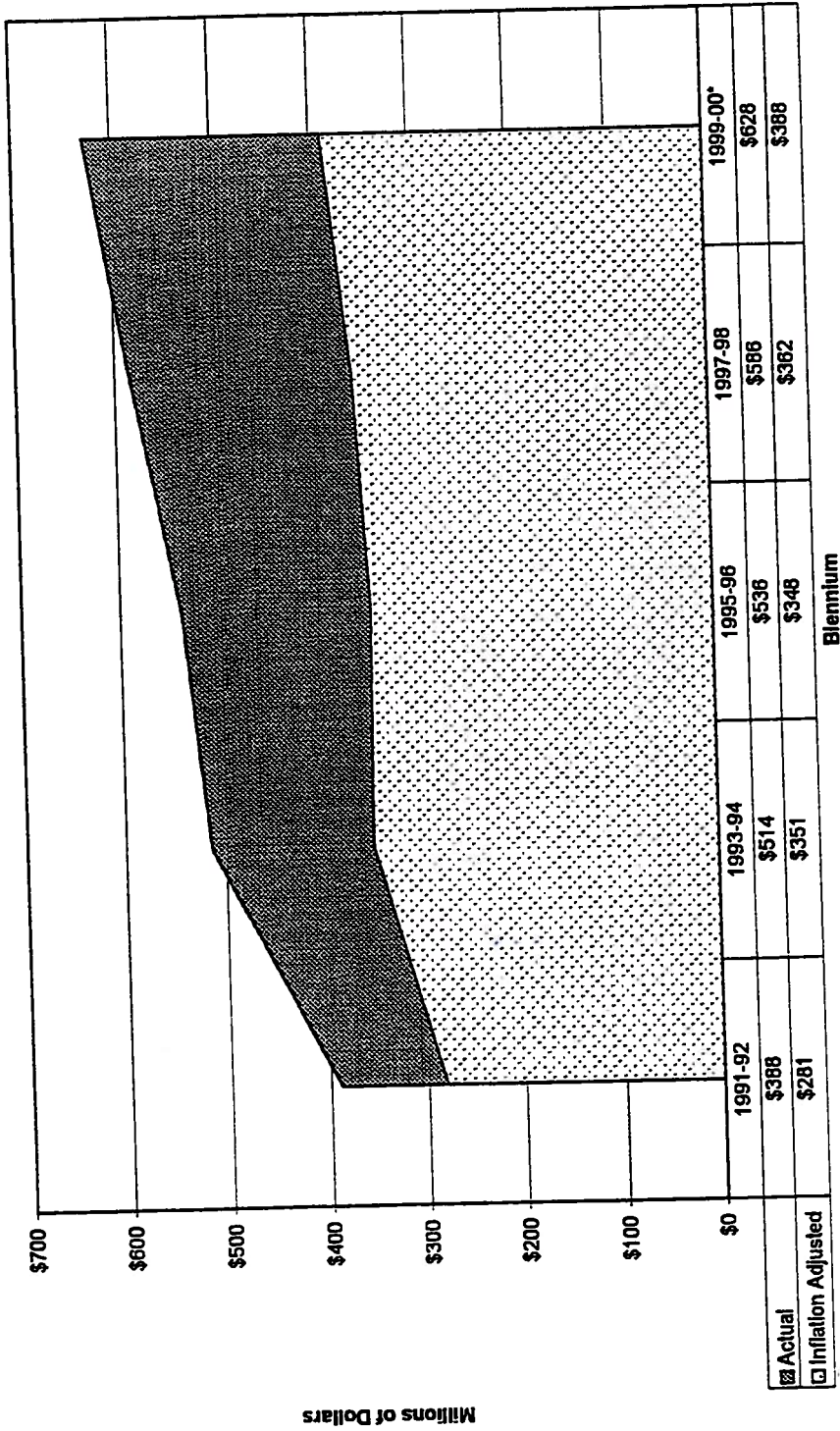
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 2 Includes Department of Health and related agencies for bienniums prior to 1989-90 reorganization, and Department of Health only for bienniums after 1989

Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

**State Historical Expenditures
Total Category 2 - Health
Actual vs. Inflation Adjusted (CPI-U 1982-84 Dollars)**



Actual Inflation Adjusted

* Information for 1989-00 Biennium reflects APPROPRIATIONS.
Category 2 includes Department of Health and related agencies for bienniums prior to 1989-90 reorganization, and Department of Health only for bienniums after 1989-90.

State Historical Expenditures

Chart 4E

Category 4 - Family Services

by Fund Category

Biennium	General Fund (Type 3)	Federal Fund (Type 1)	Other Funds (Mix of Types 1, 2, & 3)	Totals	Positions	
					Full-Time	Part-Time
1979-80	NA	NA	NA	NA	NA	NA
1981-82	NA	NA	NA	NA	NA	NA
1983-84	NA	NA	NA	NA	NA	NA
1985-86	NA	NA	NA	NA	NA	NA
1987-88	NA	NA	NA	NA	NA	NA
1989-90	NA	NA	NA	NA	NA	NA
1991-92	\$63,215,648	\$83,325,038	\$4,066,823	\$150,607,509	617	181
1993-94	\$70,089,209	\$89,475,916	\$4,984,900	\$164,550,025	668	48
1995-96	\$72,999,284	\$76,935,908	\$6,721,168	\$156,656,360	677	46
1997-98	\$69,557,974	\$60,317,018	\$7,464,472	\$137,339,464	641	48
1999-00 *	\$75,996,678	\$90,190,227	\$8,038,911	\$174,225,816	650	43

by Series

Biennium	100	600	700	900	All Other	Totals
1981-82	NA	NA	NA	NA	NA	NA
1983-84	NA	NA	NA	NA	NA	NA
1985-86	NA	NA	NA	NA	NA	NA
1987-88	NA	NA	NA	NA	NA	NA
1989-90	NA	NA	NA	NA	NA	NA
1991-92	\$29,267,524	\$101,603,450	\$0	\$6,361,785	\$13,374,750	\$150,607,509
1993-94	\$38,490,666	\$98,257,813	\$0	\$12,186,682	\$15,614,864	\$164,550,025
1995-96	\$42,534,592	\$83,842,076	\$0	\$13,906,520	\$16,373,172	\$156,656,360
1997-98	\$41,938,332	\$58,991,222	\$0	\$21,702,462	\$14,707,448	\$137,339,464
1999-00 *	\$42,916,936	\$91,693,810	\$0	\$23,255,006	\$16,360,064	\$174,225,816

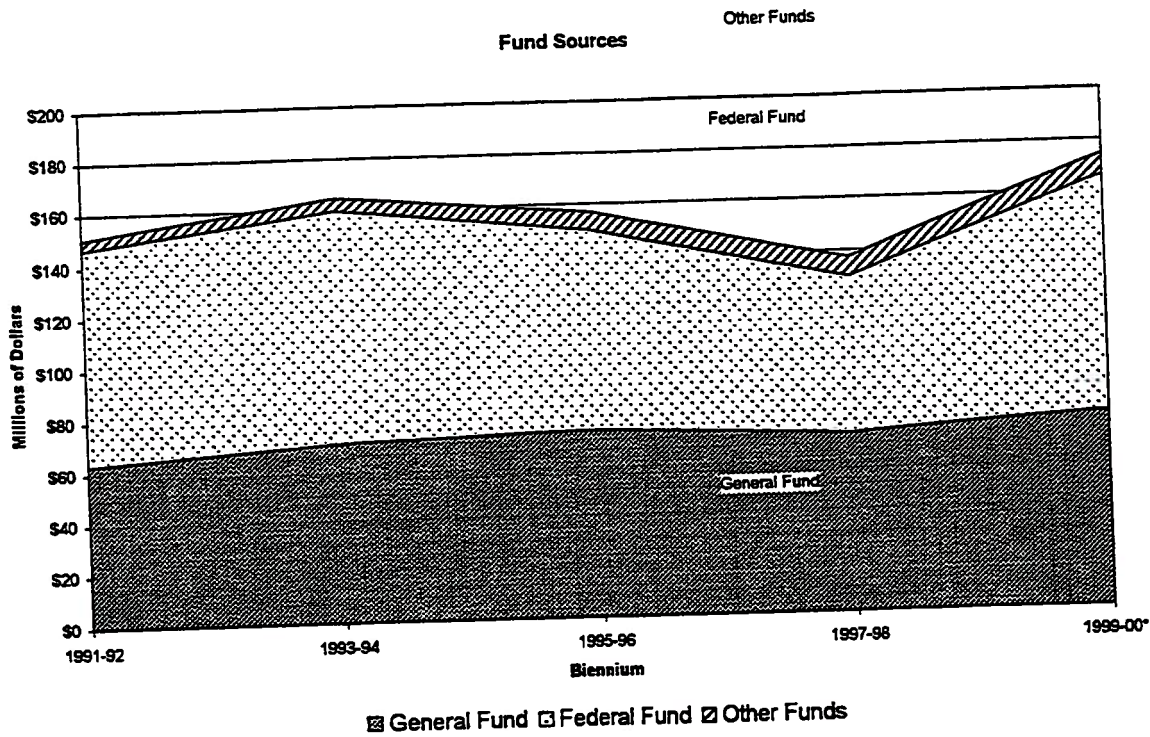
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 4 includes only the reorganized Department of Family Services (reorganization occurred in 1989-90).

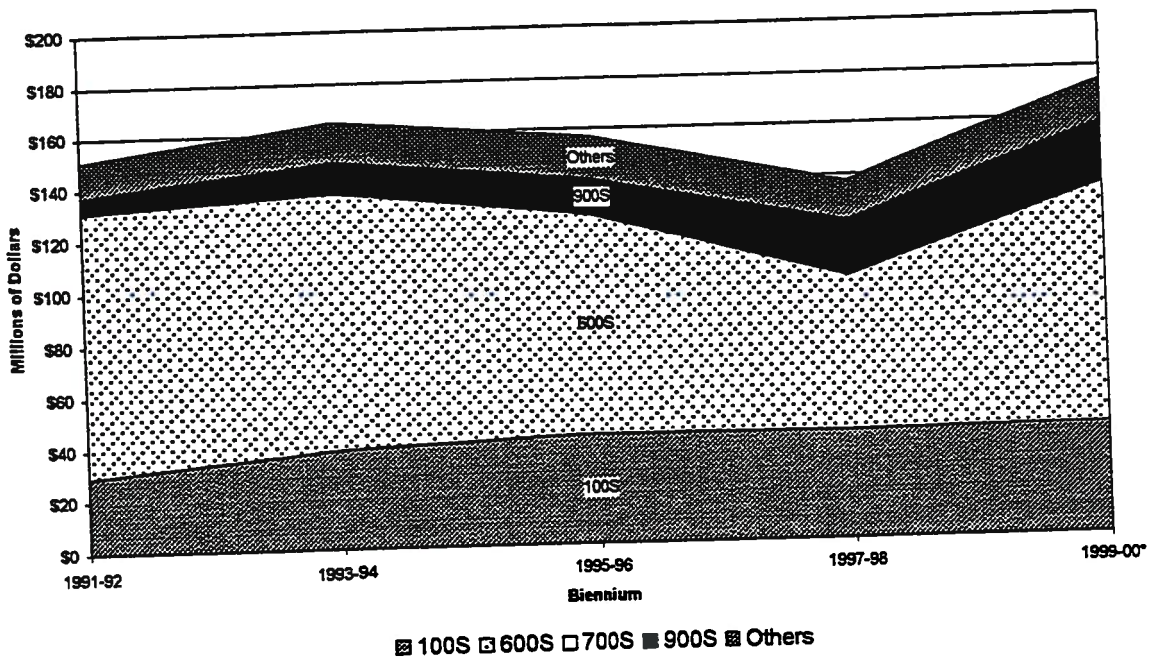
Expenditure Series Codes:

100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures Category 4 - Family Services FY 1979/80 - 1999/00*



Expenditure Series



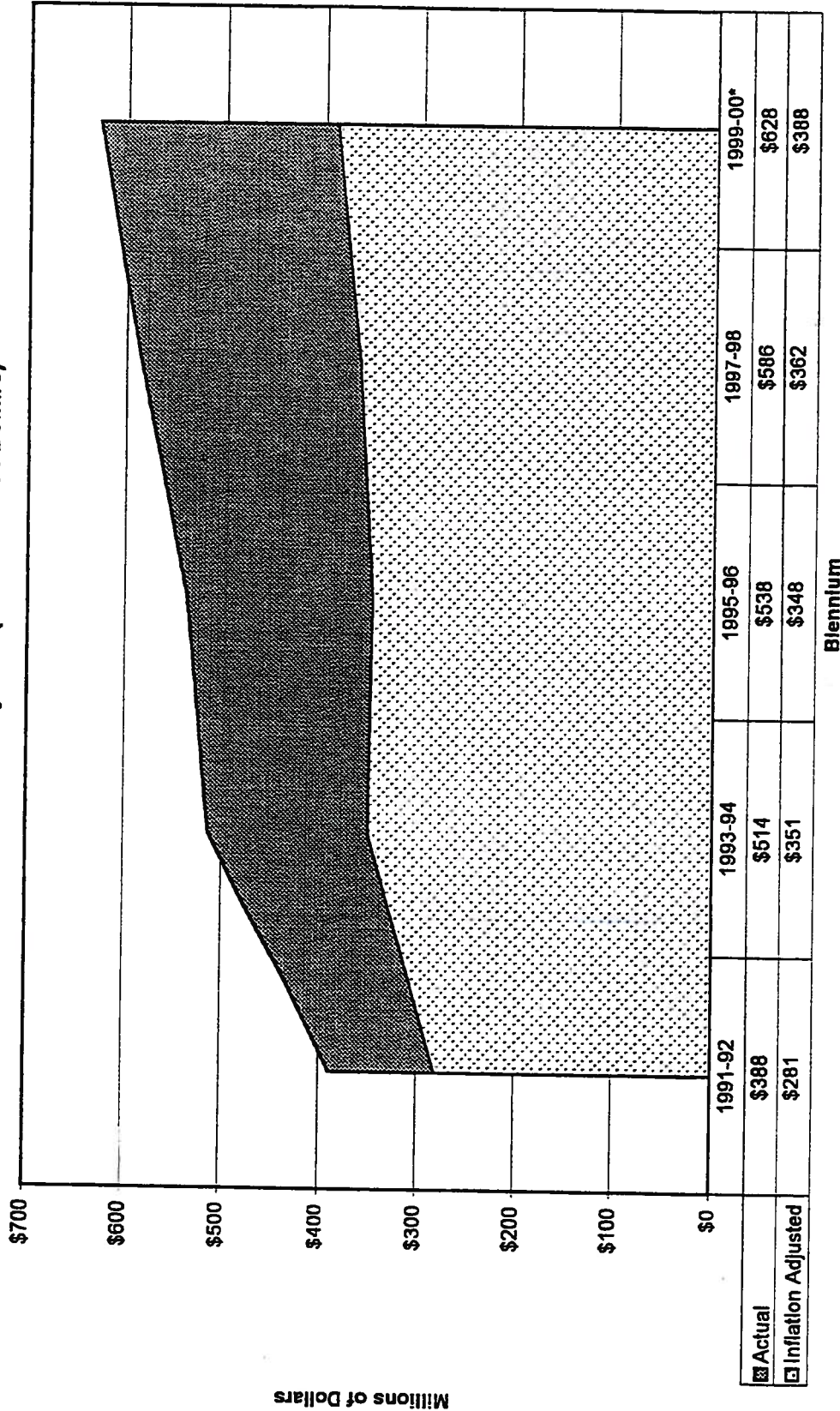
* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 4 includes Department of Family Services and related agencies for bienniums prior to 1989-90 reorganization, and Department of Family Services only for bienniums after 1989-90.

Expenditure Series Codes:
 100 - Personal Services (Salaries, Benefits, etc.); 600 - Grants & Aid Payments; 700 - Capital Expenditures; 900 - Contractual Services; Others - All other Series

State Historical Expenditures
Total Category 4 - Family Services
Actual vs. Inflation Adjusted (CPI-U 1983-84 Dollars)

Graph 1.E



Actual Inflation Adjusted

* Information for 1999-00 Biennium reflects APPROPRIATIONS.

Category 4 Includes Department of Family Services and related agencies for bienniums prior to 1989-90 reorganization, and Department of Family Services only for bienniums after 1989-90.

E. School finance - a special note

Total funding for K-12 public schools

K-12 public school finance is complex and deserves special attention.

Chart A-7 (p.107) illustrates K-12 funding for several biennia. Following is description related to each line item on Chart A-7.

1. Total revenues - This figure reflects total school district revenues for each biennium listed. However, this total excludes:

- federal funds designated for school purposes. Total federal funds for public schools for the 1999-2000 biennium are roughly \$112 million. These funds are used for a variety of school programs specified by the federal government, such as for special needs students, school lunches, etc.

- revenues from a 1/2 mill property tax levy for school districts which participate in boards of cooperative educational services (BOCES) exclusively for K-12 purposes. Currently, several school districts levy this BOCES tax.

- revenues from a mill levy for recreational purposes. State law provides that school districts can actually levy a property tax for public recreational purposes. Currently, only a few school districts impose a property tax for this purpose.

2. Local revenues not counted - The statutes provide that certain revenues available to school districts are not counted for the purpose of the school foundation program computations. These include earnings on investments of school district funds and a variety of miscellaneous revenues such as admission to athletic events.

3. "Guarantee" and other allocations - A formula in law is used to compute a "guaranteed" amount each year for each school district. The state "guarantees" that this amount will be available for each district.

This is often referred to as the school foundation program (SFP) guarantee. This is by far the largest component of funding available to school districts. The formula is complex. It essentially provides a certain dollar amount for each student in the district and is then adjusted for

factors such as special education, transportation and whether the school is small.

4. Local revenues counted towards guarantee - Certain school district and county revenues are then counted toward the "guarantee" for each school district. These revenues are specified in law and include:

- 6 mill county property tax required by the Constitution

- 25 mill district property tax

- a number of miscellaneous items including Taylor Grazing Act funds, federal forest reserve funds, fines and forfeitures, vehicle fees, railroad car company taxes, etc.

5. Common school land income distributions - Each school district receives a share of earnings from the corpus of the state's common school account in the Permanent Land Fund. These earnings include both earnings from investments of the corpus of the trust fund along with earnings from the land itself, e.g. grazing fees. This trust fund can not be spent and has about \$875 million in it, primarily from sales of land and state mineral royalties.

Note: These earnings are a Type 1-Dedicated revenue from the state. However, this revenue is counted towards the district's guarantee under line 3.

6. Amount to be funded by SFP account - The totals under lines 4 (school district/county revenues) and 5 (state school land income distribution) are subtracted from the guarantee under line 3. The state must fund the difference.

[Note: School funding is actually more complicated. Annually, each district's "guarantee" is compared with the total school district/county revenues and the state school land income distributions. School district/county revenues and the state school land income distributions are called "local resources". If the district's "local resources" are larger than its "guarantee", the difference is sent back to the state, called "recapture". If the district's "guarantee" is larger than its "local resources", the state pays the difference to the district so the district receives its full "guarantee". These payments by the state to school districts are called "entitlements". Line 6 reflects the total "entitlements".]

7. **School foundation program (SFP) account revenues** - The state always makes these "entitlement" payments to school districts (line 6 above) by appropriating revenues out of the school foundation program account (SFP account). The SFP account receives revenue mainly from the following sources:

- 12 mill state property tax required by the Constitution (Type 1-Dedicated revenue)

- a portion of federal mineral royalties (FMRs) (Type 2-Earmarked revenue)

- "recapture" payments from districts which have local resources greater than their guarantee (Type 1-Dedicated revenue) [See the note under line 6 above for an explanation of recapture payments.]

- the balance, if any, remaining from the previous biennium.

The sources of SFP account revenues are profiled in detail on page 108.

8. **Beginning cash balance** - This is the available cash balance in the school foundation program account at the beginning of the biennium. It is the amount that is carried forward from the preceding biennium (see line 11).

9. **Surplus/(Shortfall)** - The amount of the revenue in the state's school foundation account (line 7) is subtracted from the amount the state must fund (line 6). If the amount of revenue is large enough, there is a surplus in the school foundation program account. If the amount of revenue is less than the amount needed, there is a shortfall.

10. **Augmentation** - If there is a shortfall under line 8 above, the state must add money to the school foundation program account to cover the shortfall. Over the years, these augmenting funds have come from a variety of sources, but primarily the general fund. See page 109 for summary of the sources of augmentations to the school foundation program.

11. **Balance carried forward** - This is simply the balance remaining after the augmentation revenues are provided. This balance is carried forward and available for expenditure during the next biennium.

This balance occurs because all the computations are based on estimates designed to ensure that sufficient funding will be available. The amount needed to augment the school foundation program account under line 9 is computed as part of the budget process. The computations are based on estimates of what the amounts under lines 3 through 8 will be for the next two years. Estimates of literally dozens of items for the next two years are required, e.g. from expenditures for special education students to the price of oil and from the number of economically disadvantaged students to the earnings on the state's investments.

History of the SFP account shortfall

For the last 3 biennium budget periods and for the current budget period (1999-2000), there has been a significant "shortfall" in the SFP account. As of May 1999, there is also projected to be a shortfall for the next biennium budget period (2001-2002). Chart A-7 on page 107 shows that SFP account expenditures have continuously exceeded total revenues dedicated or earmarked for the SFP account.

As such, the state has made up the "shortfall" by adding additional money to the SFP account. These additions are referred to as "augmentations" in the chart on page 112. The average level of "augmentation" to the SFP account has been over \$143 million during the last 4 biennia.

The chart on page 109 also shows the source of these augmentations over the past several budget periods. The vast majority of it has come from the state's general fund.

The formula used to compute each school district's "guarantee" has been modified over the years and will likely continue to be. That is particularly the case beginning with the 1998-1999 school year, the first year that the new school finance system in response to the Supreme Court decision was largely in place. Changes to the formula will affect the amount of the "guarantee". Such changes will obviously affect the size of any potential shortfall.

However, a significant portion of local resources and revenues to the SFP account come from property taxes and federal mineral royalties. Large changes in the amounts of these revenues are possible from year to year. Thus, shortfalls in the SFP account can occur solely because of decreases in the total assessed valuation of property statewide.

Graphs A-1 through A-3 (pp. 110-112) illustrate trends in funding for public schools. The amount to be funded from the State's SFP account has increased at the same time that revenues dedicated and earmarked to the SFP account have been decreasing. As such, the need for augmentations continues to increase. As of May 1999, the estimate of the shortfall in the SFP for the 2001-2002 biennium is over \$245 million.

The SFP "shortfall" and the state budget "shortfall"

If there is a shortfall in the SFP account (line 9 on Chart A-7, p.107), that shortfall is reflected as an item to be funded in the state's budget. Under the budget process, to the extent there is a shortfall in the SFP account, that shortfall is simply reflected as a proposed budget expenditure.

The shortfall in the SFP account is a small fraction of total K-12 expenditures. However, it has a large impact on the state budget. Just the SFP account shortfall alone comprises well over 10% of available Type 3-Discretionary revenues, those traditionally used to fund the operations of state government.

The shortfall in the SFP account is included in the sum of all other proposed state expenditures to be funded from Type 3-Discretionary revenues. If proposed total state expenditures, including any shortfall in the SFP account, exceed the total estimated Type 3-Discretionary revenues, then there is a state budget shortfall as well as a shortfall in school funding.

K - 12 Operations Revenues
Excluding Federal Funds, BOCES and Recreation Mills
 In Millions of Dollars

Attachment A-7

Biennium:	FY93/94	FY95/96	FY97/98	FY99/00*	FY01/02**
1 Total Revenues	\$1,099	\$1,108.6	\$1,151.4	\$1,283.9	\$1,296.4
2 Less: Local Revenues Not Counted (Estimate)	\$19	\$36.5	\$45.7	\$22.4	\$28.8
3 Equals: Guarantee and Other Allocations*** (Estimate)	\$1,080	\$1,072.1	\$1,105.7	\$1,261.4	\$1,267.6
4 Less: Local Revenues Counted Towards Guarantee	\$439	\$452.6	\$487.0	\$497.4	\$482.4
5 Less: Common School Land Income	\$147	\$136.1	\$130.0	\$147.1	\$145.5
6 Equals: Amount to be funded by SFP Account	\$494	\$483.4	\$488.7	\$616.9	\$639.7
7 Less: SFP Account Revenues	\$354	\$351.4	\$402.8	\$394.4	\$394.1
8 Less: Beginning Cash Balance	\$7	\$12.4	\$23.8	\$66.8	\$0.0
9 Equals: Surplus/Shortfall	(\$133)	(\$119.6)	(\$62.0)	(\$155.7)	(\$245.6)
10 Add: Augment	\$145	\$143.5	\$128.8	\$155.7	\$0.0
11 Balance Carried Forward:	\$12	\$23.8	\$66.8	\$0.0	(\$245.6)

* The new school finance formula took effect at the beginning of the biennium.

** These are estimates; decisions about augmentation will be made at the 2000 Budget Session. As such they are profiled at \$ 0.

*** Other Allocations include: Equalization Payments, Court Ordered Placements, etc.

School Foundation Program Account Revenues

Biennium	93-94	95-96	97-98	99-00	01-02
School Foundation Program Acct Type 1-Dedicated & Type 2-Earmarked Revenues:					
12 Mill Prop Tax ,Vch. Reg.&Car Co. Tax (Type 1 - Dedicated)	\$164,657,123	\$167,825,064	\$181,443,234	\$189,478,802	\$190,613,927
Federal Mineral Royalties (Type 2 - Earmarked)	\$162,170,779	\$158,297,247	\$185,357,106	\$176,166,498	\$174,432,644
Recapture (Type 1 - Dedicated)	\$23,997,669	\$23,072,998	\$32,594,079	\$25,172,039	\$21,924,292
Interest (Type 1 - Dedicated)	\$2,970,378	\$2,179,024	\$3,396,935	\$3,600,000	\$3,564,568
Sub-Total SFP Revenues *	\$353,795,949	\$351,374,333	\$402,791,354	\$394,417,339	\$390,535,432
Plus Beginning Cash Balance *	\$6,834,574	\$12,387,961	\$23,831,113	\$66,755,531	\$0
Equals Total State SFP Acct. Revenues and Cash Available	\$363,600,901	\$365,941,318	\$430,019,402	\$464,772,870	\$394,100,000

*See lines 7 & 8 on previous page.

**K-12 Augmentations 1980-2000
Non-Traditional School Foundation Program Revenues**

Biennium	Source of Augmentation							TOTALS
	GF	BRA/LRI/GAAP	SFPCC	ETF	WATER	HIGHWAY		
79-80	\$15,356,155						\$15,356,155	
81-82	\$28,288,963						\$28,288,963	
83-84	\$5,913,162						\$5,913,162	
85-86	\$0						\$0	
87-88	\$47,150,000	\$1,250,000	\$24,800,000				\$73,200,000	
89-90	\$3,218,000	\$19,277,500	\$30,600,000				\$53,095,500	
91-92	\$0	\$42,980,000	\$0				\$42,980,000	
93-94	\$94,650,000	\$12,000,000	\$1,500,000	\$10,000,000	\$16,700,000	\$10,620,344	\$145,470,344	
95-96	\$127,701,934	\$9,339,816	\$6,249,910			\$179,922	\$143,471,582	
97-98	\$118,797,603	\$5,300,000	\$4,700,000				\$128,797,603	
99-00*	\$135,744,677					\$20,000,000	\$155,744,677	
Totals	\$576,820,494	\$90,147,316	\$67,849,910	\$10,000,000	\$16,700,000	\$30,800,266	\$792,317,986	

* Please note that the new school finance system went into effect for the 1998-1999 school year, which is FY 99.

GF - General Fund

BRA - Budget Reserve Account

LRI - Legislative Royalty Impact Account

GAAP - Revenues from switch to GAAP accounting methods

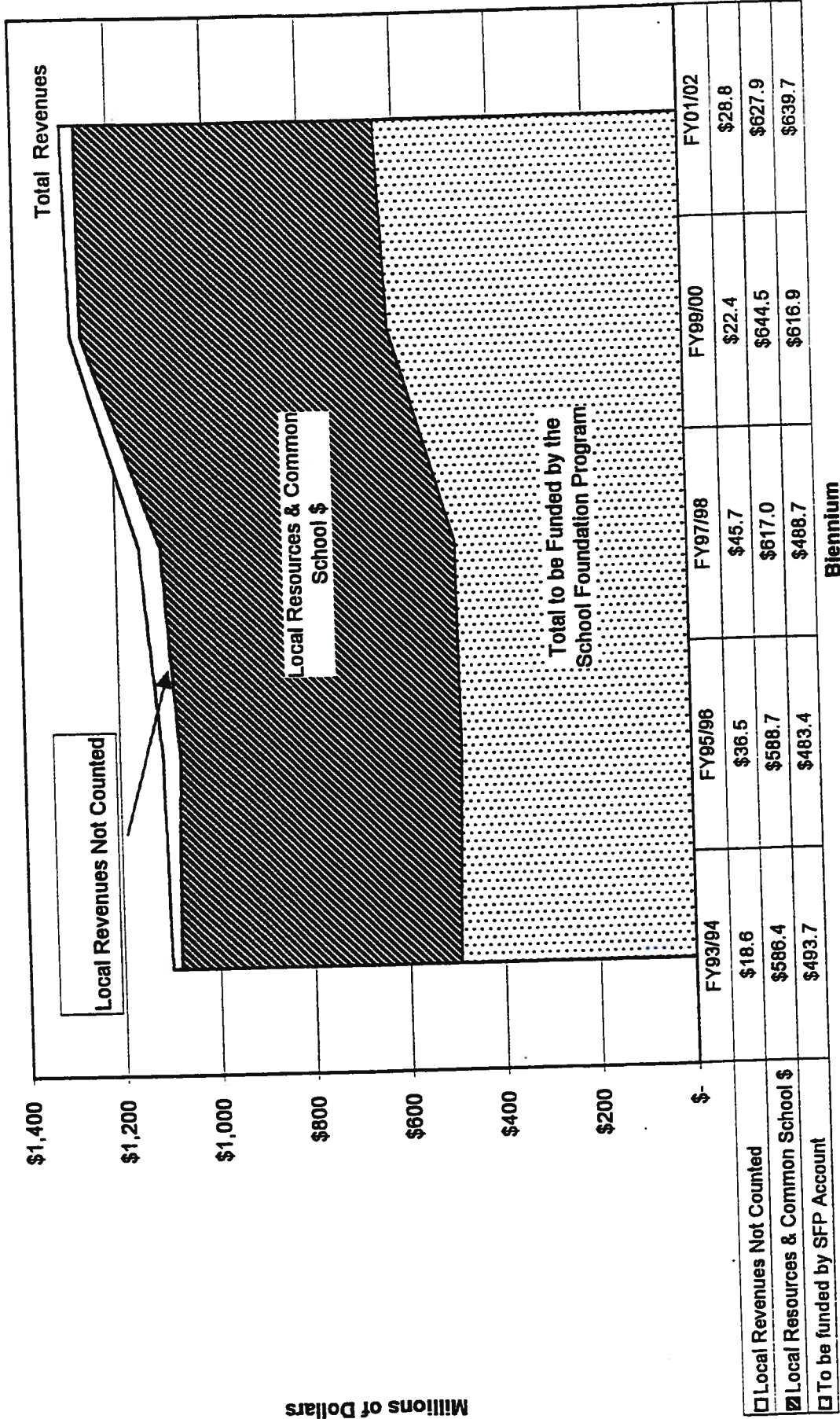
SFPCC - School Foundation Program Capital Construction Account

ETF - Education Trust Fund

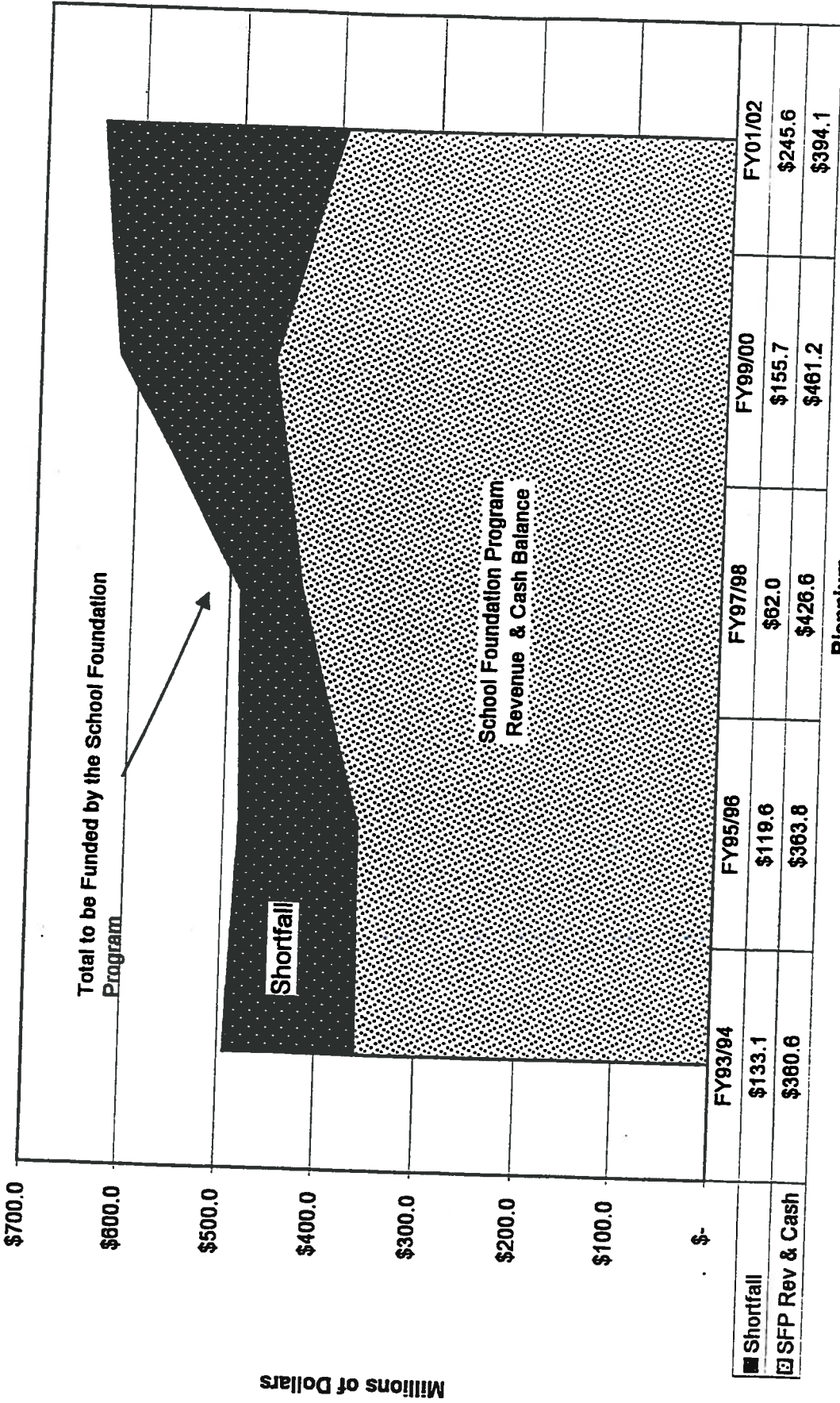
WATER - Water Development Account I

HIGHWAY - Diversion of severance taxes from the Highway Fund (the 99-00 diversion was offset with a gas tax increase).

K - 12 Operations Revenues

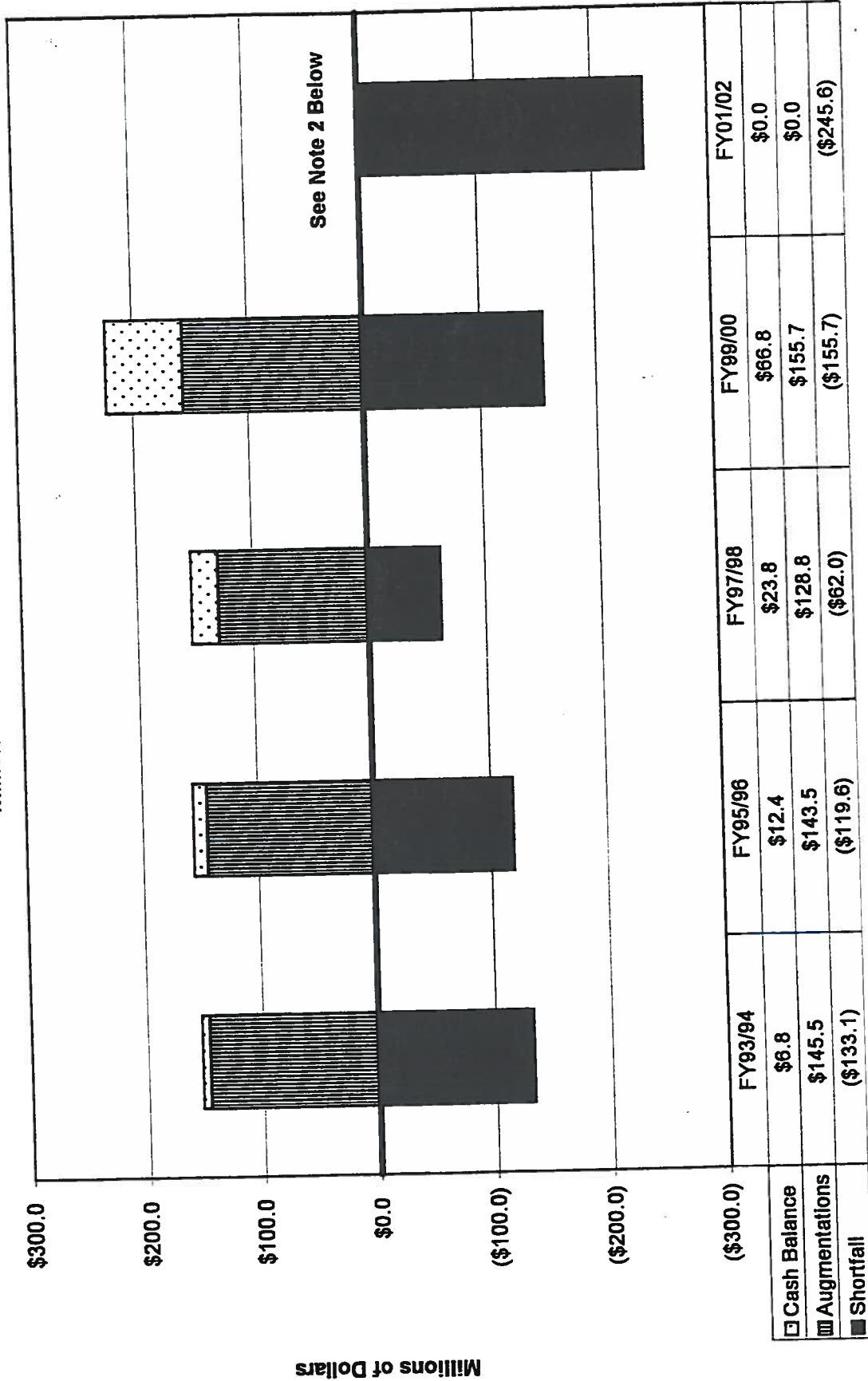


K-12 School Foundation Program Account



Millions of Dollars

**School Foundation Program Account
Augmentations, Cash Balances and Shortfalls (See Note 1 Below)
Millions of Dollars**



Note 1: Cash balances reflect the SFP Acct. bottom-line after adding augmentations.

Note 2: FY01/02 is an estimate; decisions about augmentation will be made at the 2000 Budget Session. As such they are profiled at \$0.

5/18/99

**PROPERTY TAX EXEMPTIONS
FURTHER STUDY**

39-11-105(a)(ix)(A) A nonprofit organization, corporation, cooperative or association which is exclusively a water utility engaged in the production, gathering, transmission, distribution of sale of water for domestic use in Wyoming.

39-11-105(a)(ix)(B) Any other organization, corporation, cooperative or association which is a water utility, if the property is used in the production, gathering transmission, distribution or sale of water for domestic use in Wyoming.

Clause (A) uses the term nonprofit organization which would allow a non-profit water utility that provides water for domestic use to be exempt from paying property taxes. Example of such an organization would be a water district or special improvement district.

Clause (B) does not use this term which means a water utility that provides water for domestic use and intends on making a profit could seek exempt status for property taxes. Examples of such an organization: A developer who includes a water system in his development project would price his lots so that he would recoup his cost of the water system plus make a profit. While his lots are for sale, he would probably maintain ownership of the water system but could seek exempt status on the water system equipment. The Campbell County assessor informed me this would not be a problem because the value of the lots reflect the water system and the equipment would not probably be taxed.

Since the term water utility is used, it would rule out a bottled water company from becoming exempt. Mark Quiner of the LSO is researching the legislative intent of this clause. The Department of Revenue does not have a specific rule or regulation that deals with this clause.

39-11-105(a)(xxii) – Property owned by a Water and Sewer District.

A water district is defined by §41-10-101(a)(ii) as meaning any district organized to acquire any water project for the purpose of supplying water for domestic purposes by any available means, the treatment of such water, and its distribution, for which purposes the district shall have power to acquire water rights, treatment facilities and lines for a water system, and appurtenant facilities, within and without its corporate limits.

A sewer district is defined by §41-10-101(a)(iii) as meaning any district organized to acquire any sewer project for the purpose of providing sanitary sewers, treatment facilities, disposal plant or other treatment and disposal works, and appurtenant facilities, or storm sewers, flood and surfact drainage works, and appurtenant facilities, or providing both such sanitary and storm sewers, works and facilities, and providing all necessary, property or desirable equipment and appurtenances incident thereto.

A water and sewer District is defined by §41-10-101(a)(iv) as meaning any district organized to acquire any such water and sewer project. A district may or may not be created for a combination of water and sewer purposes.

§41-10-144, "Exemption of property and bonds from taxation" further clarifies this property tax exemption. The effectuation of the authorized purposes of districts organized under this act [41-10-101 through 41-10-151] shall and will be in all respects for the benefit of the people of the state of Wyoming residing within the district, for the increase of their commerce and prosperity and for the improvement of their health and living conditions; and since the districts will be performing essential governmental functions in effectuating those purposes, the districts shall not be required to pay any general (ad valorem) taxes upon any property acquired or used by them within the boundaries of the district. The bonds issued by any district, their transfer and the income therefrom shall be free from taxation within the state, except for estate taxes.

The Department of Revenue does not have a specific rule or regulation that deals with this clause.

39-11-105(a)(xxiii) – Property owned by a Water Conservancy District.

§41-3-701/779 provides for the organization and operations of a water conservancy district that is formed to provide for the conservation of the water resources of the state of Wyoming and for the greatest beneficial use of water within this state. The statute does not specifically address the property exempt from ad valorem taxes but it does define the "works" of the district. "Works" used in this act means the dams, storage reservoirs, compensatory and replacement reservoirs, canals, conduits, pipelines, drains, tunnels, power plants and any and all works, facilities, improvements and property necessary or convenient for supplying of water for domestic, transportation, industrial, manufacturing, irrigation, power, recreation and other beneficial uses.

The Department of Revenue does not have a specific rule or regulation that deals with this clause.

39-11-105(a)(xv) – Snowmobiles

Though some assessors are assessing snowmobiles used for commercial purposes, some are not because of this clause. The exemption should be deleted and then snowmobiles can be treated like watercraft. If it is for personal use it is exempted by §39-11-105(a)(xi) Personal Property held for personal or family use excluding mobile homes. Those used commercially would be taxed as personal property owned by a business.

39-11-105(a)(xviii) Property owned by the Wyoming Community Development Authority excluding assessments for local improvements.

This exemption is clarified by §9-7-112. The exercise of the powers granted by this act constitutes the performance of an essential governmental function. The authority shall not be required to pay any taxes levied by any municipality or political subdivision of the state, other than assessments for local improvements, upon its projects, property or monies. The authority shall not be required to pay state taxes of any kind. Except for estate taxes and except as provided under W.S. 9-7-122 [repealed], the authority's projects, property and monies and any bonds issued under this act and the income therefrom, shall be free from taxation of every kind by the state, municipalities and political subdivisions of the state.

39-11-105(a)(xxi) Property owned by the Black Hills Joint power Commission.

This exclusion should be deleted since there is no evidence of this organization.

39-11-105(a)(xxv) Property used for schools, orphan asylums or hospitals to the extent they are not used for private profit.

The Wyoming Department of Revenue Rules and Regulations Chapter 14, Section 10 clarifies this exemption and provides definitions for schools and hospitals that would be considered exempt. The term orphan asylum is not defined in this section and should probably be considered antiquated and deleted from the exemption.

39-11-105(a)(xxvi) Property used by a secret, benevolent and charitable society or association, including any fraternal organization officially recognized by the University of Wyoming or any community college, and senior citizens centers to the extent it is not used for private profit nor primarily for commercial purposes by the society, association or center, or lessee thereof.

The Wyoming Department of Revenue Rules and Regulations, Chapter 14, Section 11 and 12 provides further clarification of this exemption.

1) The following definitions apply:

- a) "Secret" means fraternal or lodge-type societies or association which are not necessarily secret or ritualistic.
- b) "Charity" is a fit for the benefit of an indefinite number of persons in Wyoming, by bringing their minds or hearts under the influence of education or religion, by relieving their bodies from disease suffering or constraint, by assisting them to establish themselves in life, or by erecting or maintaining public buildings or works. The fundamental basis for this exemption is the benefit conferred upon the public, and the consequent relief, to some extent, of the burden upon the state to care and advance the interest of its citizens.

- c) "Benevolent" includes purposes which may be deemed charitable, as well as acts dictated by kindness, good will, or a disposition to do good, the objects of which have no relation to the promotion of education, learning, or religion, the relief of the needy, the sick or the afflicted, the support of public works, or the relief of public burdens. The term has wider significance than "charitable" as a legal tenet but shall be limited to purposes or activities of sufficient public importance and wide spread social value.
 - d) The word "and" in the phrase "secret, benevolent and charitable society or association" shall be understood in the disjunctive, not conjunctive.
 - e) "Senior citizen centers" include property used to provide transportation, information, and recreation facilities and other services which enable senior citizens to maintain their independence and avoid institutionalization.
 - (i) Senior citizen meal facilities or senior citizen housing complexes which are part of a senior citizen center are exempt. For the exemption, non profit organization providing meals or services to senior citizens shall possess certification of such activity by the division of public assistance and social services of the department of health and social services (or its successor).
 - (ii) Housing made available to senior citizens which is not part of a senior citizens' center (such as a retirement home) is exempt only if the entity owning the property meets the criteria of a "charitable and benevolent society or association". A retirement home is taxable if the residents provide their own furnishings and are charged for the cost of operating the home, including extra amenities enjoyed by the residents. Such a retirement home constitutes a commercial enterprise, even if operated on a non-profit basis with reduced charges.
 - f) If a secret, benevolent and charitable society or association or a senior citizen's center confers a benefit only upon the citizens of another state, its property is not exempt.
- 2) In determination of use for private profit, one distinctive feature is whether the entity has capital stock and a provision for dividends or profits, or whether it derives funds mainly from public and private charity, holding them in trust to be expended only for charitable and benevolent purposes.
- a) An institution may charge fees or engage in business, but no gain or value may be distributed to members or stockholders. The officers and members may have no pecuniary interest in the property from which they gain. Payments made to officers, employees, contractors and suppliers shall be reasonable and non and indirect means of conferring gain or profit to private persons.
 - b) Revenue from fees paid by recipients of the charity or service shall be devoted only to the maintenance of the institution or its purposes.
 - c) A grant of sales/use tax exempt status by the State as a qualified charitable organization, or the grant of income tax exempt status by the IRS as a "501(c)(3)" or similar organization, is not binding in making the determination of whether the property of the entity is exempt from ad valorem taxation. Assessors may consider compliance with and operation under the tax exempt provisions of the

IRS code or and exemption from sale and use tax as a rebuttable presumption the institution's operations are reasonable and not for profit.

- d) The matter of private profit concerns the way property is used, not solely the ownership thereof. The entire use of the property by all concerned shall be considered.

- 3) The property at issue shall not be used primarily for a "commercial purpose", that is use of property or any portion thereof to provide services, merchandise, area or activities for a charge, which are generally obtainable from any commercial enterprises and are collateral to the purpose of the secret, benevolent and charitable society or association or senior citizen centers.
 - a) Commercial purpose includes, without limitation, the operation for charge of bars, restaurants, dancing areas, merchandise shops, housing, theaters and bowling alleys.
 - b) The use of property for commercial purpose is controlling, not whether or not a profit is actually made nor how the revenue is ultimately used. If an activity is considered "commercial", it does not become "non-commercial" merely because the revenue derived from the commercial use is devoted to charitable or authorized purposes.

39-11-105(a)(xxvii) Property owned by a nonprofit society, foundation or association and used primarily as a community area center in which presentations in music, the arts and related fields are made in order to foster public interest and education therein, to the extent and in the proportion that receipts and revenues attributable to the above specified presentations bear to total receipts and revenues from the use and operation of the center including rentals and revenues received for the commercial use of the center not attributable to the above specified presentations.

This exemption was originally adopted for the Jackson Hole Music Festival and the amount of the property exemption is figured based upon the proportion the receipts from non-profit presentations bears to the total revenues of the center including commercial revenues. One problem with this exemption is that it is difficult to administer.

There is also a conflict in that similar buildings owned by municipalities or counties are exempt because of the property tax exemptions for property owned by counties and cities. One example is the Casper Events Center. These buildings lease to commercial entities who generate revenues for profit.

The Department of Revenue does not have a specific rule or regulation that deals with this clause.

39-11-105(a)(xxxv) Property owned and used by a nonprofit corporation serving persons with disabilities, mental illnesses or substance abuse problems, or operating a family violence project to the extent it is not used for private profit nor primarily for commercial purposes.

The Wyoming Department of Revenue Rules and Regulations, Chapter 14, Section 12a provides further clarification of this exemption.

- 1) In order to be exempt under this section a nonprofit corporation shall demonstrate:
 - a) Income tax exempt status authorized by the IRS as a "501(c)(3)" corporation, and
 - b) The property is owned and used by the corporation to serve persons with disabilities, mental illness substance abuse problems, or family violence problems; and
 - c) The extent to which the property is operated without any element of private profit, and primarily for non-commercial purposes as limited and defined for secret, benevolent, and charitable societies and associations and senior citizen centers.

- 2) Housing made available to persons with disabilities, mental illness, substance abuse or family violence problems is not exempt if the residents provide their own furnishings, and are charged for the cost of operating the housing project, which constitutes a commercial enterprises, even if operated on a non-profit basis with reduced charges.