

# WYOMING TAXPAYERS ASSOCIATION

## ACTION ALERT



Summary of Proposed Property Relief Bills - Updated January 22, 2009

Bill	Description	Fiscal Note
<b>Homestead Exemptions</b>		
<b>HB 68 - Property Tax - Homestead Exemption</b> - Joint Revenue Committee	Homestead property tax exemption of \$4,400 of assessed value on owner-occupied primary dwellings for homeowners who currently live in Wyoming and have lived in Wyoming for at least 3 years. Amended in Committee to say that a person owes the lesser of \$4,400 of assessed value on the dwelling or 50% of the tax assessed. <b>Passed House Revenue 8-1.</b>	Appropriation of \$40.2 M originally, but new fiscal note will be less with the amendment. Referred to JAC.
<b>HB 202 - Homestead Exemption 3</b> - Davison, Brechtel, Gilmore, Goggles, Cooper, Dockstader, Larson, Martin	Mirror to SF 81. Homestead exemption of up to \$300 for a resident of WY for 3 years. Applies to tax year 2009, which will impact property taxes collected in 2010.	Locals held harmless by appropriation of \$40 M for 2010. Applicable only if one of two things happen: (1) the legislature has appropriated funds to reimburse local governments for tax losses, or (2) the combined unappropriated balance of the GF/BRA meets or exceeds 5% of the GF projection for the current biennium AND the unappropriated balance of the SFP meets or exceeds \$100 M.
<b>SF 81 - Homestead Exemption - 2</b> - Cooper, Dockstader, Larson, Martin, Davison	Homestead exemption of up to \$300 for a resident of WY for 3 years. Applies to tax year 2009, which will impact property taxes collected in 2010.	Locals held harmless by appropriation of \$40 M for 2010. Applicable only if one of two things happen: (1) the legislature has appropriated funds to reimburse local governments for tax losses, or (2) the combined unappropriated balance of the GF/BRA meets or exceeds 5% of the GF projection for the current biennium AND the unappropriated balance of the SFP meets or exceeds \$100 M.

Circuit Breakers		
<b>HB 138 - Property Tax Refund Program</b> - Madden, Anderson, Landon, Teeters and Schiffer	Changes the time the taxes have to be paid from 'timely' to 'before the application'. Changes the income requirements from 2/3 the median gross household income to 3/4, extends the total household assets from \$50,000 to \$100,000 per adult member, includes all IRA's as exempt, adds medical savings accounts and repeals the overlap or 'double dipping' with the veteran's program. Was amended in committee to apply to taxes assessed on or after January 1, 2008. <b>Passed House Revenue 9-0.</b>	Fiscal note estimates that an increase of 10% per year or 1,850 applicants. Should yield \$72,000 in 2010, \$79,000 in 2011, and \$87,000 in 2012 in increased property tax refunds.
Assessment Ratios		
<b>HB 87 - Property Tax Rate 2</b> - Simpson, Buchanan, Gingery, Miller, Bebout, Coe and Larson	Reduces the assessment ratio for the all other property category from 9.5% to 8.25%.	Appropriation of \$44 M from the GF for 2010 only. Locals will be held harmless with the \$44 M. The SFP will suffer an estimated loss of approximately \$9.6 M in 2010 and \$10 M in 2011, however the 12 mills for payment to the SFP will be not backfilled.
<b>HB 175 - Property Tax - Assessment Rate - 3</b> - Miller and Philp	Mirror to SF 55. For January 1, 2010 through December 31, 2011 changes the ratio for industrial property from 11.5% to 11% and 'all other' from 9.5% to 9%.	The reduction of assessment rates will result in reduction of property tax revenues to local governments in the amount of \$50 M and the SFP of \$5.3 M.
<b>HB 214 - Property Tax Assessment Rate</b> - Shepperson, Brechtel, Bebout, and Scott	Reduces the assessment ratio for industrial from 11.5% to 10.5% and 'all other' from 9.5% to 7.5%.	Fiscal impact of \$83.2 M to locals and \$18.3M to the SFP in 2011, and \$87.4 M to locals and \$19.2 M to the SFP in 2012.
<b>SF 55 - Property Tax Assessment Rate</b> - Bebout and Larson	For January 1, 2010 through December 31, 2011 changes the ratio for industrial property from 11.5% to 11% and 'all other' from 9.5% to 9%.	The reduction of assessment rates will result in reduction of property tax revenues to local governments in the amount of \$50 M and the SFP of \$5.3 M.

Limitations		
<b>HB 189 - Property Tax - Assessed Valuation</b> - Shepperson, Dockstader	Limits the amount property tax assessment may increase to 102% of the assessed valuation from the previous year. The property comes up to FMV when the property is sold. Essentially a "Prop 13" concept.	Anticipated revenue decrease of more than \$18 M for FY 2010, \$30 M for 2011, and \$40 M+ for 2012.
<b>HB 234 - Property Tax - assessed value</b> - Patton, Cohee, Mercer, Roscoe Bebout and Case	Exempts the assessed value of all other property that exceeds the 3 year average.	Appropriates \$23.9 M from the GF. Loss to the SFP in 2010 is estimated to be \$5.3 M, \$3.4 M in 2011, and \$3.6 M in 2012. Impacts to locals would be approximately \$15.5 M in 2011 and \$16.3 M in 2012.
Deferral Program		
<b>HB 53 - Property Tax Deferral Program</b> - Jennings, Brechtel, Miller, Edmonds, Wallis	Amends the Property Tax Deferral Program to 250% of the federal poverty level instead of 150% and imposes a requirement that an applicant be a resident for at least 8 years. <b>Is moving through the Senate floor.</b>	No state fiscal impact. Currently a county option.
Other		
<b>HB 238 - Tax refund to the elderly and disabled</b> - Childers, Cohee, Davison, Meyer, Throne, Burns, Coe, Ross and Sessions.	Increases the income requirements that a single person receive from \$17,500 to \$35,000, \$800 reduced by the percentage that his actual income exceeds \$20,000 (up from \$10,000) per year. For married persons, the requirements increased from \$28,500 to \$57,000 for income and \$16,000 to \$32,000 to exceed. See summary of current programs for details to qualify.	Fiscal note still undeterminable.
<b>HB 217 - College tuition - property tax credit</b> - Esquibel, K., Bonner, Hales, Shepperson, Zwonitzer, Dv., Esquibel, F., Landen and Sessions.	The bill provides for an ad valorem property tax credit for residential homeowners with limited income that are enrolled as full-time students at the University of Wyoming or one of Wyoming's seven community colleges. Income not to exceed gross monthly household income at or below 300% the federal poverty level for 4 people.	Fiscal note is indeterminable.