

Excise Tax Division Newsletter
Herschler Building
122 W. 25th Street
Cheyenne, WY 82002-0110

Director
Edmund J. Schmidt

Staff
Daniel W. Noble, Administrator
Donna Campbell, Vendor Operations Manager
Terri Lucero, Taxpayer Services Manager

Phone (307) 777-5200
FAX (307) 777-3632
Internet Address:
<http://revenue.state.wy.us>

In This Issue:

- *Changing of the Guard*
- *Legislative Summary*
- *Tax Rate Changes*
- *Problems with WYIFS*
- *Motorcycle Dealers*
- *Exemption Certificates*

Changing of the Guard: Effective March 1, 2007 Terri Lucero has assumed the duties of the Education and Taxability Manager. Terri takes over from Robert Tompkins who accepted a position with Wyoming State Lands. Congratulations to both Terri and Rob on their promotions.

This publication is not an official taxability ruling. Your specific facts must be reviewed in detail before we can make official taxability rulings. Please direct your written inquiries for such rulings to Terri Lucero at the address or fax number listed above. Or e-mail your inquiry to: TLucero@state.wy.us. Please be sure to include all pertinent facts in your inquiry. We will respond with written guidance for your particular business transactions.

Legislative Summary The General Session of the 59th Wyoming Legislature adjourned on March 1, 2007. A major accomplishment of this session was the passage of **House Bill 93 – (Enrolled Act 88)** which made the exemption on food for domestic home consumption permanent. The measure passed last year by the legislature was temporary with an expiration of July 1, 2008.

House Bill 151 – (Enrolled Act 51) allows Special Resort Districts to increase the maximum allowable rate from 1% to 3%. Currently the only Special Resort District in Wyoming is the Teton Village Resort District in Teton County. The rate must be approved by the membership of the resort district prior to implementation.

House Bill 178 - (Enrolled Act 9) This bill modernizes and clarifies the telecommunications definitions and tax imposed statutes for Wyoming. New types of telecommunications such as Voice Over Internet Protocol, ancillary services, paging service, broadband service and digital ring tones are defined. It also provides clarification of discounts and how they apply to sales price as well as a rule for bundled transactions. A bundled transaction involves the sale of two products with differing taxability. An example of a bundled transaction is an Easter basket. The candy in the basket is exempt as food however the decorative basket which contains the candy is a taxable item. These products are typically sold for 1 non-itemized price. The rules for handling such a transaction are contained in this bill.

House Bill 319 – (Enrolled Act 127) This bill applies to the renewable energy exemption which was passed

in 2003. The original exemption was due to expire in 2008. HEA 127 extends the date of repeal of the exemption from 2008 until 2012.

House Bill 329 - (Enrolled Act 79) The legislature has authorized an increase in the maximum allowable general purpose option tax from 1% to 2%. This action moves the maximum allowable combined sales and use tax rate from 6% to 7%. The imposition of this tax must meet the existing requirements for implementation.

Tax Rate Changes:
Pursuant to W.S. 39-15-207(c) and W.S. 39-16-207(c) notice is given of the following future tax rate changes.

Effective with the tax return quarter beginning April 1, 2007 there will be seven (7) sales, use and lodging tax rate changes in Wyoming. In addition, effective with the tax return quarter beginning July 1, 2007 the sales and use tax rates for Lincoln County **decrease** to 4%.

Now for the details of the sales, use and lodging tax rate changes in Wyoming effective April 1, 2007:

- ▶ The sales/use tax rates for Carbon County **decrease** to 5%;
- ▶ The sales/use tax rates for Fremont County **increase** to 5%;
- ▶ The sales/use tax rates for Goshen County **increase** to 5.25%;
- ▶ The lodging tax rate for Laramie County **increases** to 4%; *
- ▶ The lodging tax rate for only the town of Kemmerer in Lincoln County **increases** to 4%; [**Note: This lodging tax rate increase on April 1, 2007 for Kemmerer is not to be confused with the sales/use tax rate decrease in Lincoln County on July 1, 2007.**]

► The sales/use tax rates for Park County *increase* to 5%; and

► The lodging tax rate for Washakie County *increases* to 4%. **

Effective April 1, 2007 the combined sales and lodging tax rates for lodging services in Laramie County will be 10%. ** Effective April 1, 2007 the combined sales and lodging tax rates for lodging services in Washakie County will be 9%.

Only one tax rate changes on July 1, 2007. The Lincoln County Sales and Use Tax rate will change from 5 to 4 percent.

Find our tax rate charts online at <http://revenue.wy.gov> by clicking on the "Publications" tab in the red banner. Then scroll to "Sales and Use Tax Materials" followed by a click on "Sales and Use Tax Rates."

Problems accessing Wyoming Internet Filing System (WYIFS)?

When accessing the WYIFS website to file your sales/use tax returns online you must have your pop-up blocker disabled. If blocker is not disabled you will receive a blank page. To disable the pop-up blocker click on Tools, a menu will be displayed, click on pop-up blocker on the right and click on turn off pop-up blocker on the left. If turn on pop-up blocker is displayed your pop-up blocker is already disabled.

We have also experienced problems with the State firewall during the month of February. Apparently the firewall could not handle the amount of traffic coming into the state and had to be replaced. We apologize for any inconveniences this may have caused you during this time. The firewall has been replaced. You should have no further problems in accessing WYIFS however please let us know if you do have trouble.

Motorcycle, ATV and Snowmobile sales:

There has been some confusion related to the taxation of motorcycles, ATV's and snowmobiles in Wyoming. **Some Wyoming dealers have not been taxing sales of these items when the customer is from another state. There is nothing in Wyoming law which allows for this practice.** If the customer takes possession of the vehicle at the dealer's location it is subject to Wyoming Sales Tax. There are no exceptions. If the tax is not collected by the dealer they remain liable for the deficiency.

If the customer does not take possession of the vehicle in Wyoming and the Wyoming dealer delivers it to their address in their state of residence then sales tax is not due in Wyoming.

It is the dealer's responsibility to retain evidence of such delivery. One method of documenting such delivery is to jointly complete an affidavit of vehicle delivery signed by both the person making the delivery and the customer receiving the delivery. This statement must be signed under penalty of perjury and witnessed by a notary. An example of such an affidavit is on the department's website at <http://revenue.wy.gov>. Click on Forms and select Motor Vehicle Forms. Select Affidavit of Vehicle Delivery (ETS 105). A copy of the affidavit should be retained by the dealer and one supplied to the customer.

Dealers should note that delivering the vehicles into another state may constitute an event which would require them to license as a vendor in the other state and collect that state's sales tax on the delivered vehicle.

Please contact the department if you have questions regarding this issue.

Important Reminder Related to Exemption Certificates:

Effective July 1, 2006 only the Streamlined Sales and Use Tax Agreement Certificate of Exemption is valid for use in Wyoming. The ETS Form 101 Exemption Certificate is no longer valid for claiming Wyoming sales tax exemptions after July 1, 2006. Any old certificates received prior to that date remain effective until canceled. Compliance is as close as our website. Click on "Forms" and scroll to the heading "Excise" and click on "Exemption/Power of Attorney Forms."

A second important change is that vendors are no longer required to retain copies of letters of authority from exempt religious and charitable organizations. Vendors need only retain copies of completed exemption certificates from these organizations. In completing their exemption certificates, religious and charitable organizations must write their Revenue Identification Number (RID) on the exemption certificate. This number is assigned by our agency to such organizations. Federal tax identification numbers or those issued by other agencies are not sufficient for this purpose.

Field Offices:

The area code prefix is 307 for all of our field offices.

| | |
|--------------|----------|
| Casper | 266-3621 |
| Cheyenne | 777-5211 |
| Gillette | 682-6061 |
| Lander | 332-3370 |
| Laramie | 742-4207 |
| Powell | 754-2686 |
| Rock Springs | 382-4531 |
| Sheridan | 674-8559 |
| Thayne | 883-2934 |
| Torrington | 532-5566 |