

Excise Tax Division Newsletter  
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*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 the department at the address or fax number listed above. Or e-mail your inquiry to: [dor@wy.gov](mailto:dor@wy.gov). Please be sure to include all pertinent facts in your inquiry. We will respond with written guidance for your particular business transactions.*

### Tax Rate Changes:

There are no sales/use tax rate changes effective January 1, 2008.

### Future:

Effective April 1, 2008 the Lincoln County tax rate will increase to 5% from 4%.

Find our tax rate charts on line 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." We also have added a Zip Code Directory which combines a listing of all zip codes in Wyoming with the associated sales tax rate. This document is in an Excel format.

Effective January 1, 2008 Wyoming becomes a full member of the Streamlined Sales Tax Project. This project is an effort to reduce the burden of tax compliance for all vendors. In conjunction with the project new legislation was passed in the 2006 Wyoming Legislature to align our sourcing rules with the sourcing rules of the Streamlined Project. Sourcing rules are designed to assist vendors in determining the tax rate to charge on sales that are not made directly over their counters. The following rules are effective January 1, 2008. The major changes in the rules will effect vendors that lease tangible personal property such as vehicles and equipment.

### New Sourcing Rules Effective January 1, 2008:

#### **Sourcing Rules for Retail Sales (General Sourcing)**

(i) *When a product or service is received by the purchaser at the business location of the seller, the sale shall be sourced to that business location: Example:* A customer goes to the local pet store and purchases their pet food. This is an over the counter transaction and the tax rate charged would be the rate in effect in the county which the pet store is located.

(ii) *When the product or service is not received by the purchaser at a business location of the seller the sale shall be sourced to the location where receipt by the purchaser, or the purchaser's agent occurs. Example:* An item purchased over the internet and shipped to your home. The tax charged would be the sales tax rate in effect in the county your home is located in.

(iii) *When (i) and (ii) above do not apply the seller will charge sales tax based on the address they have in their records for the customer.*

(iv) *When none of the above apply, the seller will charge sales tax based on the customer's address obtained during the sales transaction. Example:* The seller would charge tax based on the address shown on the customer's check or payment document.

(v) *When none of the above apply, the seller does not have an address for the customer, the seller will charge sales tax based on the address the item was shipped from, the location from which the digital good or computer software delivered electronically was first available for transmission by the seller, or the location where the service was provided. Example:* Sales tax would be charged based on the rate in effect in the jurisdiction the item was shipped from (seller's location).

**Sourcing Rules for Leases or Rentals of Tangible Personal Property:** *(The following apply to leases or rentals for tangible*

*personal property except for leases of motor vehicles and transportation equipment).*

Leases or Rentals that require recurring periodic payments, the first payment is sourced the same as above under general sourcing. The payments due after the first payment, are sourced to the primary property location. The property location is not altered by intermittent use at a different location. **Example:** The primary property location for a laptop is Wyoming. Lease payments continue to be sourced to Wyoming even if the lessee takes the laptop along on vacations, business trips, or service calls.

For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as above under general sourcing.

**Sourcing Rules for Leases or Rentals of Motor Vehicles or Aircraft:** *(the following apply to leases or rentals of motor vehicles, trailers, semi-trailers, or aircraft, unless they fit the definition of transportation equipment).*

A lease or rental that requires only one payment is sourced the same as above under general sourcing.

A lease or rental that requires recurring periodic payments, each payment is sourced to the primary property location for each payment. The primary property location is the address for the leased property given to the lessor by the lessee. The property location is not altered by intermittent use at different locations.

**Sourcing Rules for Sales or Leases of Transportation Equipment:**

The retail sale, including lease or rental of transportation equipment is sourced the same as above under general sourcing.

**Sourcing Rules for Direct Mail:**

The direct mail purchaser who is not a holder of a direct pay permit shall provide the seller in conjunction with the purchase either a direct mail form or information to show the jurisdictions to which the direct mail is delivered to the recipients.

When a direct mail form is received the seller is relieved of all obligations to collect, pay or remit the applicable tax and the purchaser is obligated to pay or remit the applicable tax on a direct pay basis.

When the seller receives information from the purchaser showing the jurisdictions to which the direct mail is delivered to recipients, the seller shall collect tax according to the delivery information provided.

A complete copy of the statutes governing sourcing is available on our web site at <http://revenue.state.wy.us> In the red banner click on publications, then scroll to Statutes/Rules and Regulations, followed by a click on Statutes – Taxation and Revenue

**Attention Cigarette Retailers:**

The current Wyoming cigarette stamps are green. You will soon see a yellow cigarette stamp. The stamp is printed on a special type of paper and will enable the department to ensure the authenticity of the stamp. The cigarette tax of \$.60 cents per pack has not changed, only the color of the stamp. Please ensure that you are checking your incoming inventory to ensure that all packages are stamped with Wyoming stamps. If you find packages without stamps or with a

stamp from another state, please contact your wholesaler immediately and return these packages for replacement inventory. The Department of Revenue Field Representatives are continuing to conduct cigarette inspections. If during an inspection there are packages of cigarettes found that are not stamped or stamped with a stamp from another state they will confiscate the product.

**Taxpayer Education:**

We are continuing our efforts to educate taxpayers on the laws concerning sales/use tax. We are beginning to schedule sales tax seminars for 2008. If you are interested in attending a seminar please contact our office at (307)777-2459 or e-mail us at [dor\\_taxability@wy.gov](mailto:dor_taxability@wy.gov). We post all of our scheduled seminars on our web site at <http://revenue.state.wy.us> Under What's New.

The Department of Revenue would like to wish all of you a very happy and safe holiday season, and a prosperous New Year.

**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