



# TAXING ISSUES

WYOMING DEPARTMENT OF REVENUE

Vol. 21 Quarter 1

Excise Tax Division

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*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\\_taxability@wyo.gov](mailto:dor_taxability@wyo.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:*

### **Present:**

- Effective April 1, 2018 the sales/use tax rate in Niobrara County will increase to 6% as voters

approved a 1% Specific Purpose Option Tax. The combined sales/use and lodging tax rate in Town of Lusk effective April 1, 2018 will be 9%.

- Effective April 1, 2018 the tax rate in Sweetwater County will decrease to 5%, as the Special Purpose County Option Tax will be collected. The combined sales, use and lodging tax rate for Sweetwater County effective April 1, 2018 will be 8%.

### *Future:*

#### *Future Tax Rate Changes:*

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

The Department is not aware of any sales, use or lodging tax rate changes for the tax return quarter beginning July 1, 2018.

It is prudent to periodically check DOR's website for notices of tax rate changes. It is possible to have additional rate changes effective April 1, 2018, as the Department might not receive all notifications prior to the printing of this publication. Access our tax rate charts on line at <http://revenue.wyo.gov>. From the Home page, find the "Excise (Sales & Use) Tax Division, click on "Publications" click on Sales & Use Tax Rate Charts. Additionally, there is a Zip Code Directory which combines a listing of all zip codes in Wyoming with the associated sales tax rates. This document is in an Excel format.

**Please Note: Tax rate changes are effective the first day of a calendar quarter after providing sixty days notice to all vendors. This newsletter and DOR's website serves as the notice to vendors of the tax rate changes. Sales tax rate charts are only updated as rate changes occur.**

#### *Legislative Update:*

The 2018 Budget Session of the Wyoming Legislature adjourned March 15, 2018. For sales and use tax purposes the following bill will become law.

#### *Senate File 0050 (Enrolled Act No. 19) Effective July 1, 2018:*

This bill provides for collection agency fees to be recovered from the debtor. The bill states; any person owing a debt to the state which is submitted to a collection agency may be assessed a fee for the cost of collection of the debt. The fee will not exceed twenty percent of the debt owed. The collection agency will collect the fee along with the debt payment.

**Please note: For the complete text of new laws passed in the 2018 Budget Session please visit the following:**

<http://legisweb.state.wy.us>

#### *Demurrage Charges:*

Are the charges for rental of gas cylinders equitable to demurrage charges? The answer is no, demurrage charges are not synonymous with the rental of a cylinder of gas or other returnable containers. Rather demurrage is a separate administrative charge apart from the rental of the cylinder, for failure to return the cylinders on or before the end of the rental period, similar to a late

fee and is not subject to sales tax. The charge for the “use of the tank, cylinder or other returnable container” is a rental charge. The terms rental and lease refer to transactions that transfer possession of tangible personal property for a period of time.

Wyoming imposes sales tax on all rentals of tangible personal property in the state. In cases where demurrage is included on an invoice with rental charges, provided the demurrage charge is indicated as such and separately stated from the rental of the cylinder or other returnable container, demurrage is not subject to sales tax. In Wyoming these charges are typically applicable to railcars, tractor trailers, and gas cylinders.

**Is Labor Taxable:**

The Department receives many questions concerning the taxability of labor. In Wyoming the taxability of labor, excluding labor within an oil or gas well site hinges on the type of property that is affected by the labor; real or tangible personal property. In Wyoming labor to real property is not subject to sales tax, while labor to tangible personal property is subject to sales tax. Businesses that perform services/labor to tangible personal property are vendors and are required to license to collect and remit sales tax on their taxable services. A few Examples of taxable labor to tangible personal property include: automotive repair, computer repair, automotive detailing, dry cleaning, jewelry repair, and clothing alterations. These services (and many others) are all taxable as they constitute a repair, alteration or improvement of tangible personal property and Wyoming imposes tax on those services. The tax

base includes the labor as well as any materials, supplies and fabrication which become a part of the repair, alteration or improvement of the property. For example, when a seamstress performs alterations to clothing, the thread, patches, material and any other supplies which become part of the alteration, as well as the charges for labor are subject to sales tax.

**Cheyenne office of The Department of Revenue:**

The Herschler Building has been undergoing considerable construction and renovation. The Cheyenne office of the Department of Revenue is currently located in the west side of the Herschler Building. When completed, the Department of Revenue will permanently relocate to the East side of the Herschler Building on the third floor. This move will take place sometime in the next few months.

**Educational Material Available on-Line:**

The Department publishes numerous educational materials which are available on our web site. There are Tax Tutorials to assist vendors in completing the sales/use tax returns. Bulletins of a general nature are also available for vendors to review. The Department also publishes publications which relate to specific industry types. These publications assist businesses with taxability information related to those specific industries.

**Educational Webinars:**

In addition to the above mentioned materials the Department also provides educational webinars. Current Sales/Use Tax Webinars are scheduled as follows:

Oil & Gas Industry; April 26, 2018.

General Sales/Use Tax; May 10, 2018.

Mining Industry: May 24, 2018.

The webinar schedule is posted to DOR’s website. Look for the “What’s New” column and select “Excise Tax Webinar Schedule.” Click on the webinar of interest to view the specific webinar details. We also present webinars tailored to your specific business. Please e-mail your request for a webinar to [dor\\_taxability@wyo.gov](mailto:dor_taxability@wyo.gov) and provide the specific details of your business. Also include convenient dates for the Department’s presentations. We will contact you to work out the details.

**Taxability Questions? Get it in Writing:**

DOR also provides written taxability determinations. Any vendor with questions regarding applying sales/use tax to a specific business or situation are encouraged to write DOR with their questions. The Department will issue a written response to the vendor’s questions. When submitting the information please supply as much detail as possible to alleviate the possibility of delays caused by requests from DOR for additional information. Your questions may be submitted to [dor\\_taxability@wyo.gov](mailto:dor_taxability@wyo.gov)

**Field Offices:**

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

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|--------------|----------|
| Casper       | 266-3621 |
| Cheyenne     | 777-5211 |
| Gillette     | 682-6061 |
| Riverton     | 856-1185 |
| Laramie      | 742-4207 |
| Powell       | 754-2686 |
| Rock Springs | 382-4531 |
| Sheridan     | 674-8559 |
| Jackson      | 734-9354 |
| Torrington   | 532-5566 |