

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 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 with the tax return quarter beginning July 1, 2017 there will be the following sales, use, and lodging tax rate changes in Wyoming.

- Effective July 1, 2017 the sales/use tax rate in Niobrara County will decrease to 5% as the Special Purpose County Option Tax will be collected. The combined sales/use and lodging tax rate for the City of Lusk effective July 1, 2017 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.

Effective with the tax return quarter beginning October 1, 2017 there will be the following sales, use and lodging tax rate changes in Wyoming.

- Effective October 1, 2017 the sales/use tax rate in Laramie County will increase to 6% as voters approved a 1% Specific Purpose County Option Tax. The combined sales/use and lodging tax rate in Laramie County effective October 1, 2017 will be 10%.
- Effective October 1, 2017 the sales/use tax rate in Teton County will increase to 6% as voters approved a 1% Specific Purpose County Option Tax. The combined sales/use and

lodging tax rate in Teton County effective October 1, 2017 will be 8%.

It is prudent to periodically check DOR's website for notices of tax rate changes. It is possible to have additional rate changes effective October 1, 2017, 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.

Vendors Collecting Incorrect Sales Tax Rates:

The Department has received numerous calls from taxpayers reporting that vendors are collecting the incorrect sales tax rate on their purchases. Vendors are responsible for collecting the correct rate of sales tax on their sales. When tax is erroneously collected and submitted to the Department it may only be refunded to the vendor when the

vendor has refunded the taxpayer who originally paid the erroneous sales tax. Tax rates may change up to four times a year at the beginning of a calendar quarter; January, April, July and October.

Leasing Companies:

Those businesses engaged in leasing tangible personal property are required to collect the sales tax from their customer on the lease stream and remit the tax to the Department. The Department must be able to identify companies engaged in leasing motor vehicles in order to notify the county treasurer's offices of the leasing companies that are licensed to collect the sales tax. The county is the first link in the process assuring sales tax is collected on motor vehicle lease transactions.

Resort fees and other service charges:

Businesses charging resort fees and service charges are required to separately state these charges from other charges on their customers invoice or receipt. Resort fees and service charges are not a tax and should not be referred to as a tax on invoices or other documents provided to the customer. A tax is authorized by the legislature and imposed by the government for purposes of maintaining general governmental functions. Resort fees and service charges are subject to sales tax and any locally enacted lodging tax as these charges are a component of the sales price paid for the lodging service.

Third Party Drop Shipping Transactions:

The Department views third party drop shipping as a series of transactions where the supplier/manufacturer sells product

to a vendor for subsequent resale, but ships the product to the vendor's customer directly. The first transaction is between the vendor and the supplier/manufacturer. The vendor makes the purchase on a wholesale for resale basis by supplying the supplier/manufacturer with an exemption certificate from the vendors home state indicating the purchase is for resale. The second transaction is between the vendor and the Wyoming customer. This is the retail transaction where sales tax is due and payable, unless an exemption applies. If the vendor is licensed to collect Wyoming sales tax, the final customer remits the tax to the vendor who in turn remits the tax to the Department. However, if the vendor is not licensed to collect Wyoming sales tax, the tax is remitted directly to the Department by the final customer upon receipt of the goods in this state. The tax liability in this second transaction never rests on the supplier. The supplier is merely acting as a shipping agent to the final customer, not a vendor selling the product.

Use Tax Due on Business Purchases:

Businesses hold a sales tax free inventory because they collect the sales tax from their customer in the retail transaction. However, that doesn't mean all items vendors purchase are exempt from sales tax. When vendors purchase items for use in conducting their business, those items are taxable to the business. These items include purchases such as; office computers, business cards, office supplies, cleaning supplies, safety equipment, tools, etc. When a vendor purchases these items from a Wyoming seller, the seller should

charge and collect sales tax from the vendor. However, often times vendors will purchase these items from a seller located in another state or over the internet and these sellers may not be licensed to collect Wyoming sales tax. In these instances the vendor owes Wyoming use tax once the items are received in this state. Use tax is complementary to our sales tax and is imposed on purchases of tangible personal property made in another state and brought into Wyoming for storage, use or consumption. The rate of use tax is equivalent to the sales tax rate in the county where the purchases are received.

Educational Seminars:

The Department of Revenue will present four on site seminars in Gillette, WY in September 2017. The Schedule for all seminars is located on DOR's website at <http://revenue.wyo.gov> on the home page under the "What's New" column. The Department will soon post a schedule of webinars to be presented over the next few months. That schedule will also be located under the "What's New" column on our website. The Department encourages all vendors to take advantage of these educational opportunities.

Field Offices:

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

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