



TAXING ISSUES

WYOMING DEPARTMENT OF REVENUE

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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 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 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%.
- Effective October 1, 2017 the combined sales and resort tax rates for **Teton Village Resort District and Grand Targhee Resort District** will be 8%
- Effective October 1, 2017 the combined sales, resort and lodging tax rates for **Teton Village Resort District and Grand Targhee Resort District** will be 10%.

Please note: The 2% Resort District Tax is only collected by the vendors physically located within the boundaries of the resort district.

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 January 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 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 Charging Deposits:

When a deposit is charged for returnable – reusable pallets, kegs, taps, and bits the deposit represents a sales price of the returnable – reusable item, and is taxable. When the customer returns the keg,

tap or pallet they are entitled to a refund of the deposit and the sales tax associated with the deposit, if the item is not returned the customer forfeits their deposit.

Update on House Bill 0019 (Enrolled Act No. 41)

The 2017 Legislature passed House Bill 0019 which required remote sellers (sellers not located in Wyoming) to license to collect and remit Wyoming sales tax if the seller met certain criteria. Subsequent the Department has sought a declaratory judgment from the Second Judicial District of the State of Wyoming. Upon commencement of this particular case, the Act prohibits the Department, during the pendency of the legal action, from enforcing the Act's tax remittance obligations against any remote seller who does not affirmatively consent to or otherwise remit sales tax on a voluntary basis. The result of this action is if a business only met the requirement to license as a result of the statutory thresholds the Department cannot require the business to become licensed at this time. However the Act does not bar a company from choosing to voluntarily license to collect and remit Wyoming sales tax.

Merchandise Donated for Raffles:

Businesses often donate items to organizations for raffles. Items removed from inventory for personal or business use are taxable to the business based on their cost of the item. The winner of the raffle does not have a tax liability. The winner simply purchased a ticket which represents a chance to win the item. The winner did not purchase the

merchandise. This is true whether the raffle item is a piece of art or a motor vehicle.

When the raffle is for a chance to win a motor vehicle, motor cycle or trailer the winner of the raffle should not be provided an invoice, bill of sale, etc. denoting a purchase price, as winning a raffle is not a purchase of the item won. The tax liability belongs to the business that donated the item, and in the case of a motor vehicle should be paid directly to the county treasurer.

Business Purchases of Consumables:

All businesses purchase items to be used to conduct business. Some of these items would include tools, trucks, lubricants, fuel, shop rags, safety equipment and cleaning supplies; these items are taxable to the business as they are used by the business to perform business activities. Often times a business will place a charge for shop supplies (consumables) on their customers invoice. The charge is typically based on a percentage of the sale or service provided. The charge is taxable to the customer, as part of the sales price of the taxable sale or service provided. It is not that the supplies are taxed twice, once to the business at the time of purchase, and once to the customer; they are taxed on the customers invoice as a charge by the seller to complete the sale or service. Sales tax is a transactional tax and each time tangible personal property is sold, leased or a taxable service is provided, sales tax is assessed to the transaction. For example a new car is taxed prior to first registration. When that vehicle is resold years later as a used car the new owner also pays tax prior to their first registration.

This occurs each time that vehicle is bought and sold. Therefore tax in one transaction does not affect the imposition of tax in another transaction.

Educational Webinars:

The Department has the following Sales/Use Tax Webinars scheduled through the end of 2017.

Manufacturing Industry; October 12, 2017.

General Sales/Use Tax; October 26, 2017.

Construction Industry; November 9, 2017.

Lodging Industry; November 30, 2017.

Oil & Gas Industry; December 14, 2017.

The webinar schedule is posted to DOR's website. Look for the "What's New" column on the home page and select "Excise Tax Webinars." Click on the webinar of interest to view the specific webinar details. The Department also presents webinars tailored to your specific business. Please e-mail your requests for a webinar to dor_taxability@wyo.gov and provide the specific details. Also check out the Department's website for educational bulletins and publications that may be of interest.

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