

*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. 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, 2010 there will be the following sales, use and lodging tax rate change.

- Albany County's sales/use tax rate will increase to 6%.

- The lodging tax rate for the Town of Pinedale will be 3%.

** Effective October 1, 2010 the combined sales and lodging tax rate for Albany County will be 10%.

** Effective October 1, 2010 the combine sales and lodging tax rate for the Town of Pinedale will be 7%.

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 January 1, 2011 there will be the following sales, use and lodging tax rate changes in Wyoming.

- The sales and use tax rate for Teton County will remain at 6%. In the August 2010 election the voters of Teton County approved the continuation of the 1% specific purpose option tax to fund ten separate propositions.

- The sales and use tax rate for Lincoln County will remain at 5%. The voters of Lincoln County approved the continuation of the 1% General Purpose County Option Tax in their August 2010 election.

It is prudent to periodically check our website for notices of tax rate changes. It is possible that there will be other rate changes effective January 1, 2011 that the department has not been notified of to date. You can access 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 Rates." We also have 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.

Taxation of Cover

Charges/Admission Fees:

The Wyoming Statues impose sales tax on the sales price paid for admission to any place of amusement, entertainment, recreation, games or athletic event. These admission fees include cover charges at a lounge, saloon, and/or night club, movie tickets, sporting event tickets, carnival admissions etc. In these situations normally the tax is included in the sales price, as receipts do not normally accompany each sale. Vendors must maintain records of how the tax was calculated. Specific examples of how to calculate the tax are listed in our vendor manual on page 8.

Vendors selling to religious and charitable organizations claiming exemption from sales tax:

Wyoming Statues allow for an exemption from sales tax on sales made to religious and charitable organizations. When vendors sell items to a religious or charitable organization claiming exemption from sales tax, vendors must have the organization complete the Streamlined Sales/Use Tax Agreement Certificate of Exemption. These organizations have the ability to request a letter of authority for use of this exemption from the department; however they are not required by law to do so. When the department is asked to issue the letter of authority, if the organization qualifies for the exemption, the department issues a Revenue Identification Number (RID). This number will be used when the organization issues the Certificate of Exemption to their suppliers

(vendors). However, only those organizations that have applied to the department for the letter of authority will have a RID number. Please understand that the RID number is not required on the form to claim the exemption. Please be advised that, as a vendor you must have a completed exemption certificate in your file for these exempt sales. A copy of the organizations letter of authority, or a copy of their federal 501(c) 3 status does not exempt them from sales tax nor does it provide the documentation you as the vendor are required to retain in your business records.

Reminder of 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).*

For leases or rentals that require recurring periodic payments, the first payment is sourced the same as a retail sale, i.e. based the location where the customer takes receipt of the items. The payments due after the first payment are sourced to the primary property location of the leased item. The property location is not altered by intermittent use at a different location. **Example:** A customer leases a laptop computer at a store located in Casper, Wyoming. At the conclusion of the lease signing the customer takes the computer with them. The first payment and tax associated with the payment would be due based on the Natrona County sales tax rate, as that is where the customer took receipt of the item. All payments subsequent to the first payment would be sourced based on the primary property location of the item. If after the lease signing the lessee takes the laptop to their home in Cheyenne, Wyoming, all subsequent payments in the lease would be sourced at the Laramie County rate of tax. If the tax rate should change in the county where the leased item is located, the sales tax collected within

the lease stream would be adjusted for the change in rate.

If sometime during the lease, the lessee moves to another county in Wyoming, the tax associated with the lease payments would then be collected based on the new primary property location of the item.

For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a retail sale.

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 a retail sale.

A lease or rental that requires recurring periodic payments, each payment is sourced to the primary property location of the leased vehicle. 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.

If the tax rate should change in the county of the primary property location of the motor vehicle the sales tax collected within the lease stream would be adjusted for the change in rate. If sometime during the lease, the lessee moves to another county in Wyoming the tax associated with the lease payments would then be collected based on the new primary property location of the motor vehicle.

Upcoming Education Seminars:

We will be conducting two free sales/use tax seminars in Laramie on October 5th. We will conduct a General Sales/Use Tax Seminar from 9:00 AM to 12:00 PM and a Contractor Seminar from 2:00 PM to 4:00 PM. Both seminars will be held at the West Laramie Fire Station #3 at

2374 West Jefferson Street. Please see our website at <http://revenue.state.wy.us> for more information on these Seminars.

Attention Manufacturers:

The manufacturing survey has been mailed to all manufacturers in the state. These surveys must be completed and returned to the department by October 15th 2010. If you are a manufacturer and did not receive a survey in the mail, please contact this office at (307)777-2459 or go on line and complete the survey using survey monkey. You can access the survey by going to <http://www.surveymonkey.com/s/WYDORSurvey>

Annual Interest Rate for Delinquent Taxes:

Per W.S.39-15-108(b)(i) The interest rate for delinquent taxes is adjusted annually equal to the average prime interest rate for the preceding fiscal year plus four percent. Therefore the annual interest rate effective January 1, 2011 will be 7.25%. The equivalent daily interest rate for delinquent accounts, effective January 1, 2011 will be .0198%.

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
Jackson	734-9354
Torrington	532-5566