

HOUSE BILL NO. HB0160

Sales tax on food exemption-sales tax increase.

Sponsored by: Representative(s) Robinson, Bagby, Berger, Brechtel, Esquibel, Gay, Gilmore, Hastert, Landon, Martin, McOmie, Morgan, Reese, Thompson, Walsh, Warren and Watt and Senator(s) Boggs, Decaria, Jennings, Job, Massie, Meier, Mockler, Scott, Sessions and Vasey

A BILL

for

1 AN ACT relating to taxation and revenue; removing the sales
2 and use tax on food as specified; providing an increase in
3 sales and use tax as specified; providing an appropriation;
4 and providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** [Removes sales and use tax on food] W.S.
9 39-15-101(a) by creating a new paragraph (xxiii),
10 39-15-105(a)(vi) by creating a new subparagraph (E),
11 39-16-101(a) by creating a new paragraph (xvii) and
12 39-16-105(a)(vi) by creating a new subparagraph (E) are
13 amended to read:

14

1 **39-15-101. Definitions.**

2

3 (a) As used in this article:

4

5 (xxiii) "Food" means food for domestic home
6 consumption as defined by department rule and regulation.

7

8 **39-15-105. Exemptions.**

9

10 (a) The following sales or leases are exempt from the
11 excise tax imposed by this article:

12

13 (vi) For the purpose of exempting sales of
14 services and tangible personal property which are essential
15 human goods and services, the following are exempt:

16

17 (E) Sales of food for domestic home
18 consumption.

19

20 **39-16-101. Definitions.**

21

22 (a) As used in this article:

23

1 (xvii) "Food" means food for domestic home
2 consumption as defined by department rule and regulation.

3

4 **39-16-105. Exemptions.**

5

6 (a) The following purchases or leases are exempt from
7 the excise tax imposed by this article:

8

9 (vi) For the purpose of exempting sales of
10 services and tangible personal property and services which
11 are essential human goods and services, the following are
12 exempt:

13

14 (E) Purchases of food for domestic home
15 consumption.

16

17 **Section 2.** [Increases statewide sales and use tax]
18 W.S. 39-15-104(b) and (d) and 39-16-104(b) and (d) are
19 amended to read:

20

21 **39-15-104. Taxation rate.**

22

23 (b) Effective July 1, ~~1993~~2005, in addition to the
24 sales tax under subsection (a) of this section, there is

1 imposed an additional sales tax of ~~one percent (1%)~~ one and
2 three-tenths percent (1.3%) which shall be administered as
3 if the sales tax rate under subsection (a) of this section
4 ~~was~~ were increased from three percent (3%) to ~~four percent~~
5 ~~(4%)~~ four and three-tenths percent (4.3%). The revenue
6 from these increases shall be distributed in the same
7 manner as other sales tax revenue under those sections.

8

9 (d) The tax imposed under subsection (b) of this
10 section shall be indexed in accordance with the formula in
11 this subsection ~~as follows:~~

12

13 (i) The tax shall be reduced to ~~one-half of one~~
14 ~~percent (.5%)~~ one percent (1%) effective July 1, if, not
15 later than March 31, of the same year, it is determined
16 that the unappropriated general fund balance at the end of
17 the current budget period minus any expected shortfall in
18 revenue to fully fund the school foundation program for the
19 following school year will exceed thirty-five million
20 dollars (\$35,000,000.00). The governor shall make this
21 determination using actual revenues received during the
22 current fiscal year, revenue estimates of the consensus
23 revenue estimating group (CREG), actual appropriations and
24 expenditure estimates for the foundation program determined

1 by the department of education. If the determination made
2 by the governor under this formula results in a reduction
3 of the tax, the governor shall so certify to the department
4 of revenue which shall order the rate reduced to ~~one-half~~
5 ~~of one percent (.5%).~~ one percent (1%);

6
7 (ii) The tax shall be reduced to one-half of one
8 percent (.5%) effective July 1, if, not later than March
9 31, of the same year, it is determined that the
10 unappropriated general fund balance at the end of the
11 current budget period minus any expected shortfall in
12 revenue to fully fund the school foundation program for the
13 following school year will exceed seventy million dollars
14 (\$70,000,000.00). The governor shall make this
15 determination using actual revenues received during the
16 current fiscal year, revenue estimates of the consensus
17 revenue estimating group (CREG), actual appropriations and
18 expenditure estimates for the foundation program determined
19 by the department of education. If the determination made
20 by the governor under this formula results in a reduction
21 of the tax, the governor shall so certify to the department
22 of revenue which shall order the rate reduced to one-half
23 of one percent (.5%).

24

1 **39-16-104. Taxation rate.**

2

3 (b) Effective July 1, ~~1993~~2005, in addition to the
4 use tax under subsection (a) of this section, there is
5 imposed an additional use tax of ~~one percent (1%)~~one and
6 three-tenths percent (1.3%) which shall be administered as
7 if the use tax rates under subsection (a) of this section
8 were increased from three percent (3%) to ~~four percent (4%)~~
9 four and three-tenths percent (4.3%). The revenue from
10 these increases shall be distributed in the same manner as
11 other use tax revenue under that subsection.

12

13 (d) The tax imposed under subsection (b) of this
14 section shall be indexed in accordance with the formula in
15 this subsection. as follows:

16

17 (i) The tax shall be reduced to ~~one-half of one~~
18 ~~percent (.5%)~~one percent (1%) effective July 1, if, not
19 later than March 31, of the same year, it is determined
20 that the unappropriated general fund balance at the end of
21 the current budget period minus any expected shortfall in
22 revenue to fully fund the school foundation program for the
23 following school year will exceed thirty-five million
24 dollars (\$35,000,000.00). The governor shall make this

1 determination using actual revenues received during the
2 current fiscal year, revenue estimates of the consensus
3 revenue estimating group (CREG), actual appropriations and
4 expenditure estimates for the foundation program determined
5 by the department of education. If the determination made
6 by the governor under this formula results in a reduction
7 of the tax, the governor shall so certify to the department
8 of revenue which shall order the rate reduced to ~~one-half~~
9 ~~of one percent (.5%).~~ one percent (1%);

10
11 (ii) The tax shall be reduced to one-half of one
12 percent (.5%) effective July 1, if, not later than March
13 31, of the same year, it is determined that the
14 unappropriated general fund balance at the end of the
15 current budget period minus any expected shortfall in
16 revenue to fully fund the school foundation program for the
17 following school year will exceed seventy million dollars
18 (\$70,000,000.00). The governor shall make this
19 determination using actual revenues received during the
20 current fiscal year, revenue estimates of the consensus
21 revenue estimating group (CREG), actual appropriations and
22 expenditure estimates for the foundation program determined
23 by the department of education. If the determination made
24 by the governor under this formula results in a reduction

