

HOUSE BILL NO. HB0162

Property tax assessed value increase limitations.

Sponsored by: Representative(s) Simpson and Senator(s) Bebout

A BILL

for

1 AN ACT relating to taxation and revenue; providing for a  
2 limit in the increase in assessed value of residential  
3 property; providing definitions; providing rulemaking  
4 authority; and providing for an effective date.

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

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8 **Section 1.** W.S. 39-13-103(b) by creating a new  
9 paragraph (xvii) is amended to read:

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11 **39-13-103. Imposition.**

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13 (b) Basis of tax. The following shall apply:

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15 (xvii) Notwithstanding paragraph (ii) of this  
16 subsection, the assessed value of residential property

1 shall not increase in any one (1) calendar year by more  
2 than the annual rate of inflation. However, the limitation  
3 in this subsection shall not apply to any residential  
4 property which is purchased, newly constructed or has  
5 undergone a change of ownership in the previous calendar  
6 year. Any residential property which is sold in an arms-  
7 length transaction shall be valued at the sales price. The  
8 department of revenue shall promulgate rules, regulations  
9 and definitions necessary for the enforcement of the  
10 provisions of this paragraph. As used in this paragraph:

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12 (A) "Annual rate of inflation" means the  
13 inflation adjustment as determined each year by the  
14 legislature under W.S. 21-13-309(o);

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16 (B) "Newly constructed" shall not include:

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18 (I) The construction or addition of  
19 any active solar energy system;

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21 (II) The construction or installation  
22 of any fire sprinkler system, other fire extinguishing  
23 system, fire detection system or fire related egress  
24 improvement;

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(III) The construction, installation or modification of any portion or structural component of a single or multiple family dwelling for the purpose of making the dwelling more accessible to a physically handicapped person;

(IV) An addition, alteration or remodel of a dwelling if the cost of the addition, alteration or remodel over a one (1) year period is less than fifty percent (50%) of the value of the building.

(C) "Purchase" and "change in ownership" shall not include the purchase or transfer of real property from one spouse to another after January 1, 2009, including, but not limited to:

(I) Transfers to a trustee for the beneficial use of a spouse, or the surviving spouse of a deceased transferor, or by a trustee of such a trust to the spouse of the settlor of the trust;

(II) Transfers to a spouse which take effect upon the death of a spouse;

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(III) Transfers to a spouse or former spouse in connection with a property settlement agreement or decree of dissolution of a marriage or legal separation;

(IV) The creation, transfer or termination, solely between spouses, of any co-owner's interest; and

(V) The distribution of a legal entity's property to a spouse or former spouse in exchange for the interest of the spouse in the legal entity in connection with a property settlement agreement or a decree of dissolution of marriage or legal separation.

**Section 2.** This act is effective January 1, 2009 but only if the electors adopt a constitutional amendment as proposed in 2008 House Joint Resolution HJ0008 prior to December 31, 2008 authorizing an additional class of property for assessment of taxes.

(END)