

## HOUSE BILL NO. HB0053

Vehicle registration-rebuttable presumption.

Sponsored by: Joint Transportation, Highways & Military  
Affairs Interim Committee

A BILL

for

1 AN ACT relating to motor vehicles; creating a rebuttable  
2 presumption pertaining to ownership of vehicles registered  
3 under the laws of another jurisdiction for purposes of  
4 titling and registration; providing for notice and hearing  
5 as specified; providing a penalty; limiting admissibility  
6 of evidence in judicial proceedings as specified; providing  
7 rulemaking authority; and providing for effective dates.

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

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11 **Section 1.** W.S. 31-2-201 by creating new subsections  
12 (o) through (q) and 31-2-224(a)(v)(A), (B) and by creating  
13 a new subparagraph (C) are amended to read:

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15 **31-2-201. Registration required; timelines.**

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(o) If the department, in consultation with the department of revenue, a county treasurer or a Wyoming peace officer, determines that a resident is in control of a vehicle owned by a shell business entity organized under the laws of another jurisdiction, it shall be rebuttably presumed the resident is the actual owner of the vehicle for purposes of vehicle registration, certificate of title and sales and use taxation only. The department shall notify the resident in writing that the resident is required to obtain a Wyoming certificate of title, to register the vehicle and to pay any sales or use taxes due on the purchase or use of the vehicle in accordance with W.S. 39-15-107(b)(i) or 39-16-107(b)(ii) within thirty (30) days from the date of the notice. The department shall promulgate rules necessary to implement this subsection, including rules to provide the resident an opportunity for a hearing and appeal in accordance with the Wyoming Administrative Procedure Act. Following a final determination in the appeal in favor of the department, the resident shall owe the taxes and fees determined to be due. The department shall consider the following factors when

1 determining if a resident is in control of a vehicle owned  
2 by a shell business:

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4 (i) Factors that indicate a business entity  
5 organized under the laws of another jurisdiction is a shell  
6 business entity include, but are not limited to the  
7 following:

8  
9 (A) The business entity lacks a specific  
10 business activity or purpose;

11  
12 (B) The business entity fails to maintain a  
13 physical location in the foreign jurisdiction in which the  
14 business entity is organized. Under no circumstances shall  
15 a registered agent be deemed to provide the business entity  
16 with a physical location;

17  
18 (C) The business entity fails to employ  
19 individual persons and provide those persons with internal  
20 revenue service form W-2 wage and tax statements;

21  
22 (D) The business entity fails to file  
23 required federal tax returns or fails to file a required

1 state tax return in the foreign jurisdiction in which the  
2 business entity is organized.

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4 (ii) Factors that indicate a resident is in  
5 control of a vehicle include, but are not limited to the  
6 following:

7  
8 (A) The resident was the initial purchaser  
9 of the vehicle;

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11 (B) The resident operated or stored the  
12 vehicle in Wyoming for any period of time;

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14 (C) The resident is a partner, member or  
15 shareholder of the business entity that purports to be the  
16 owner of the vehicle;

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18 (D) The resident is insured to drive the  
19 vehicle.

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21 (p) If a resident found to be in control of a vehicle  
22 owned by a shell business under subsection (o) of this  
23 section fails to pay registration fees, certificate of

1 title fees or applicable sales or use taxes due within  
2 thirty (30) days from the date of the notice required under  
3 subsection (o) of this section or within thirty (30) days  
4 following a final determination in favor of the department,  
5 the person shall be charged a penalty equal to  
6 seventy-five percent (75%) of the unpaid registration fees.

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8 (q) The determination that a resident is in control  
9 of a vehicle owned by a shell business shall not be  
10 admissible as evidence in any judicial proceeding other  
11 than:

12  
13 (i) Judicial review of the final determination  
14 that a resident is in control of a vehicle owned by a shell  
15 business under the Wyoming Administrative Procedure Act;

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17 (ii) An action to collect delinquent vehicle  
18 registration fees, certificate of title fees and any  
19 interest or penalties due under title 31;

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21 (iii) An action to collect the tax due on the  
22 purchase or use of a vehicle imposed in accordance with

1 W.S. 39-15-107(b)(i) or 39-16-107(b)(ii) and any interest,  
2 penalties or costs of collection.

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4 **31-2-224. Registration exemptions.**

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6 (a) The following vehicles are exempt from the  
7 provisions of this article:

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9 (v) Vehicles owned by a nonresident, validly  
10 registered in another state or country, displaying  
11 registration numbers or plates in accordance with the laws  
12 of that state or country and:

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14 (A) Not operated for gain or profit in  
15 Wyoming nor used for transportation to or from employment  
16 in Wyoming;~~and~~

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18 (B) Not owned or operated by a person  
19 employed in this state, unless that person is a daily  
20 commuter from another jurisdiction which exempts vehicles  
21 of daily commuters from Wyoming from registration under a  
22 reciprocity agreement;~~and~~ and

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1                   (C) Not operated by a resident found to be  
2 in control of a vehicle owned by a shell business under  
3 W.S. 31-2-201(o).

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5           **Section 2.** The department of transportation shall  
6 promulgate rules and regulations necessary to implement  
7 this act on or before October 15, 2017.

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9           **Section 3.**

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11           (a) Except as provided in subsection (b) of this  
12 section, this act is effective July 1, 2018.

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14           (b) Section 2 of this act is effective immediately  
15 upon completion of all acts necessary for a bill to become  
16 law as provided by Article 4, Section 8 of the Wyoming  
17 Constitution.

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19                               (END)