

SF0118

Tax liability mineral production.

Sponsored By: Senator(s) Driskill, Boner and Von Flatern and
Representative(s) Barlow, Clausen, Clem and Zwonitzer

AN ACT relating to taxation and revenue; providing for tax lien priority for liens on mineral production; providing for continual and perpetual liens on mineral production for ad valorem taxes as specified; providing requirements prior to filing an action to foreclose or enforce an ad valorem tax lien; specifying applicability; and providing for an effective date.

1/17/2019 Bill Number Assigned
1/18/2019 S Received for Introduction
1/18/2019 S Introduced and Referred to S03 - Revenue
1/31/2019 S03 - Revenue:Recommend Amend and Do Pass 4-1-0-0-0

ROLL CALL

Ayes: Senator(s) Baldwin, Biteman, Case, Driskill
Nays: Senator Ellis
Ayes 4 **Nays** 1 **Excused** 0 **Absent** 0 **Conflicts** 0

1/31/2019 S Placed on General File

SF0118SS001/ADOPTED

Page 2-line 5 Delete ":".
Page 2-lines 7 through 9 Delete entirely.
Page 2-line 11 Delete "(III) A" and insert "a".
Page 2-line 17 Delete "(1)" and insert "(I)".
Page 2-line 18 After "delinquent" insert "or was billed, whichever is later".
Page 2-line 19 Delete "all lienholders of".
Page 2-line 20 Delete "record" and insert "any bona fide creditor that holds a properly perfected, filed or recorded lien as set forth in subparagraph (C) of this paragraph and that provided a copy of its properly perfected, filed or recorded lien to the county treasurer".
Page 2-line 22 Delete "(2)" and insert "(II)"; delete "After the expiration of the".
Page 2-line 23 Delete entirely.
Page 3-line 1 Delete "subdivision and not" and insert "Not".
Page 3-line 2 After "delinquent" insert "or was billed, whichever is later". CASE, CHAIRMAN

2/4/2019 S COW:Passed
2/5/2019 S 2nd Reading:Passed
2/6/2019 S 3rd Reading:Passed 25-4-1-0-0

ROLL CALL

Ayes: Senator(s) Agar, Anderson, Anselmi-Dalton, Baldwin, Biteman, Boner, Bouchard, Case, Coe, Dockstader, Gierau, Hicks, Hutchings, James, Kinskey, Kost, Moniz, Nethercott, Pappas, Rothfuss, Schuler, Scott, Steinmetz, Von Flatern, Wasserburger
Nays: Senator(s) Bebout, Ellis, Landen, Perkins
Excused: Senator Driskill
Ayes 25 **Nays** 4 **Excused** 1 **Absent** 0 **Conflicts** 0

2/8/2019 H Received for Introduction
2/11/2019 H Introduced and Referred to H03 - Revenue
2/15/2019 H03 - Revenue:Recommend Do Pass 9-0-0-0

ROLL CALL

Ayes: Representative(s) Blackburn, Connolly, Dayton-Selman, Hallinan, Laursen, Roscoe, Sweeney, Western, Zwonitzer

Ayes 9 **Nays** 0 **Excused** 0 **Absent** 0 **Conflicts** 0

2/15/2019 H Placed on General File
2/21/2019 H COW:Passed
2/22/2019 H 2nd Reading:Laid Back
2/25/2019 H 2nd Reading:Passed

SF0118H3001/ADOPTED

(TO ENGROSSED COPY)

Page 1-line 1 After "providing for" delete "tax".
Page 1-line 2 Delete entirely and insert "continual and perpetual liens on mineral production for ad valorem taxes; providing requirements prior to filing an action to foreclose or enforce an ad valorem tax lien; specifying".
Page 1-line 7 Delete "(C) and (D)" and insert "(A), (C), (E)(intro), (IV) and (F)".
Page 1-after line 15 Insert:
" (A) All taxes, fees, penalties and interest imposed upon mineral production under this article are an automatic and continuing lien in favor of the county in which the mineral was produced. The lien is perpetual against all persons excluding the United States and the state of Wyoming and attaches and is perfected immediately upon production of the mineral subject to all prior existing liens. The lien is on all property in the county, real, tangible and intangible, including all after acquired property rights, future production and rights to property, of any delinquent taxpayer to the extent permitted by W.S. 39-14-103(c)(i), 39-14-203(c)(i), 39-14-303(c)(i), 39-14-403(c)(i), 39-14-503(c)(i), 39-14-603(c)(i) and 39-14-703(c)(i);".
Page 2-line 4 Delete all new language.
Page 2-lines 5 and 6 Strike entirely.
Page 2-line 7 Strike line through "lien".
Page 2-lines 8 and 9 Delete entirely and insert:
"provided by subparagraph ~~(E)~~-(A) of this paragraph. A lien arising under this paragraph survives foreclosure actions until paid in full or until released by the lienholder;".
Page 2-lines 11 through 23 Delete entirely.
Page 3-lines 1 through 12 Delete entirely and insert:
" (E) In order to perfect-bring an action to enforce or foreclose a tax lien under this paragraph, the county treasurer shall file a notice of the tax lien and a certified copy of the delinquent tax statement with the clerk and recorder of the real estate records in the county in which the mineral production occurred. A copy of the lien shall be filed with the secretary of state, but such filing is not required to perfect-enforce or foreclose the lien. The notice of the tax lien shall contain:
 (IV) A legal description of the premises of the mineral estate of the taxpayer from which the mineral was produced;
 (F) No other action beyond that described in subparagraph (E) of this paragraph shall be required to perfect-bring an action to enforce or foreclose a tax lien;". WESTERN

2/26/2019 H 3rd Reading:Passed 44-14-2-0-0

ROLL CALL

Ayes: Representative(s) Barlow, Blake, Brown, Burkhart, Burlingame, Clausen, Clem, Clifford, Connolly, Crank, Dayton-Selman, Duncan, Eklund, Flitner, Freeman, Greear, Haley, Harshman, Henderson, Hunt, Kirkbride, Larsen, Lindholm, Loucks, MacGuire, Newsome, Nicholas, Obermueller, Olsen, Paxton, Pelkey, Piiparinen, Pownall, Roscoe, Salazar, Schwartz, Simpson, Sommers, Stith, Sweeney, Western, Winter, Yin, Zwonitzer

Nays: Representative(s) Blackburn, Edwards, Furphy, Gray, Hallinan, Jennings, Kinner, Laursen, Miller, Styvar, Tass, Walters, Washut, Wilson

Excused: Representative(s) Eyre, Northrup

Ayes 44 Nays 14 Excused 2 Absent 0 Conflicts 0

2/27/2019 S Received for Concurrence

2/27/2019 S Concur:Failed 9-20-1-0-0

ROLL CALL

Ayes: Senator(s) Anselmi-Dalton, Boner, Gierau, Hicks, Kost, Rothfuss, Scott, Von Flatern, Wasserburger

Nays: Senator(s) Anderson, Baldwin, Bebout, Biteman, Bouchard, Case, Coe, Dockstader, Driskill, Ellis, Hutchings, James, Kinskey, Landen, Moniz, Nethercott, Pappas, Perkins, Schuler, Steinmetz

Excused: Senator Agar

Ayes 9 Nays 20 Excused 1 Absent 0 Conflicts 0

2/27/2019 S Appointed JCC01 Members
Senator(s) Case, Driskill, Von Flatern

2/27/2019 H Appointed JCC01 Members
Representative(s) Zwonitzer, Connolly, Sommers

2/27/2019 S Adopted SF0118JC001: 17-10-3-0-0

SF0118JC001/SADOPTED (TO ENGROSSED COPY)

Delete the following House amendments:

SF0118H3001/A

Further amend the ENGROSSED COPY as follows:

Page 1-line 2 After "production;" insert "providing for continual and perpetual liens on mineral production for ad valorem taxes as specified; providing requirements prior to filing an action to foreclose or enforce an ad valorem tax lien;".

Page 1-line 7 Delete "(C) and (D)" and insert "(A), (C), (D), (E)(intro), (IV) and (F)".

Page 1-after line 15 Insert:
"(A) All taxes, fees, penalties and interest imposed upon mineral production under this article are an automatic and continuing lien in favor of the county in which the mineral was produced. For any lien related to mineral production on or after January 1, 2021, the county lien is perpetual against all persons excluding the United States and the state of Wyoming and attaches and is perfected immediately upon production of the mineral subject to all prior existing liens. The lien is on all property in the county, real, tangible and intangible, including all after acquired property rights, future production and rights to property, of any delinquent taxpayer to the extent permitted by W.S. 39-14-103(c)(i), 39-14-203(c)(i), 39-14-303(c)(i), 39-14-403(c)(i), 39-14-503(c)(i), 39-14-603(c)(i) and 39-14-703(c)(i);".

Page 2-lines 2 through 9 Delete entirely and insert:

"(C) For any lien related to mineral production on or after January 1, 2021, a county lien arising under this paragraph is superior and

paramount to all other liens, claims, mortgages or any other encumbrance of any kind except as provided in subparagraph (A) of this section and the lien shall survive foreclosure actions until paid in full or until released by the lienholder. Except as otherwise provided in this subparagraph, any lien arising under this paragraph related to mineral production before January 1, 2021 is superior and paramount to all other liens, claims, mortgages or any other encumbrance of any kind held by any person except a lien, claim, mortgage or other encumbrance of record held by a bona fide creditor and properly perfected, filed or recorded under Wyoming law prior to the filing of a lien as provided by subparagraph (E) of this paragraph+ if the county fails to:".

Page 3-after line 12 Insert:

"(E) In order to perfect or bring an action to enforce or foreclose a tax lien under this paragraph, the county treasurer shall file a notice of the tax lien and a certified copy of the delinquent tax statement with the clerk and recorder of the real estate records in the county in which the mineral production occurred. A copy of the lien shall be filed with the secretary of state, but such filing is not required to perfect, enforce or foreclose the lien. Nothing in this subparagraph shall be deemed to require a county to perfect a lien that is perfected immediately under subparagraph (A) of this paragraph. The notice of the tax lien shall contain:

(IV) A legal description of the premises of the mineral estate of the taxpayer from which the mineral was produced;

(F) No other action beyond that described in subparagraph (E) of this paragraph shall be required to perfect or bring an action to enforce or foreclose a tax lien;". CASE, DRISKILL, VON FLATERN, ZWONITZER, CONNOLLY, SOMMERS

ROLL CALL

Ayes: Senator(s) Anderson, Anselmi-Dalton, Baldwin, Boner, Case, Coe, Driskill, Gierau, Hicks, Kost, Landen, Moniz, Rothfuss, Schuler, Scott, Von Flatern, Wasserburger

Nays: Senator(s) Bebout, Biteman, Bouchard, Dockstader, Ellis, Hutchings, Kinskey, Nethercott, Perkins, Steinmetz

Excused: Senator(s) Agar, James, Pappas

Ayes 17 **Nays** 10 **Excused** 3 **Absent** 0 **Conflicts** 0

2/27/2019 H Adopted SF0118JC001: 49-10-1-0-0

SF0118JC001/SADOPTEDHADOPTED (TO ENGROSSED COPY)

Delete the following House amendments:

SF0118H3001/A

Further amend the ENGROSSED COPY as follows:

Page 1-line 2 After "production;" insert "providing for continual and perpetual liens on mineral production for ad valorem taxes as specified; providing requirements prior to filing an action to foreclose or enforce an ad valorem tax lien;".

Page 1-line 7 Delete "(C) and (D)" and insert "(A), (C), (D), (E)(intro), (IV) and (F)".

Page 1-after line 15 Insert:

"(A) All taxes, fees, penalties and interest imposed upon mineral production under this article are an automatic and continuing lien in favor of the county in which the mineral was produced. For any lien related to mineral production on or after January 1, 2021, the county lien is perpetual against all persons excluding the United States and the state of Wyoming and attaches and is perfected immediately upon production of the mineral subject to all prior existing liens. The lien is on all property in the county, real,

tangible and intangible, including all after acquired property rights, future production and rights to property, of any delinquent taxpayer to the extent permitted by W.S. 39-14-103(c)(i), 39-14-203(c)(i), 39-14-303(c)(i), 39-14-403(c)(i), 39-14-503(c)(i), 39-14-603(c)(i) and 39-14-703(c)(i);".

Page 2-lines 2 through 9 Delete entirely and insert:

"(C) For any lien related to mineral production on or after January 1, 2021, a county lien arising under this paragraph is superior and paramount to all other liens, claims, mortgages or any other encumbrance of any kind except as provided in subparagraph (A) of this section and the lien shall survive foreclosure actions until paid in full or until released by the lienholder. Except as otherwise provided in this subparagraph, any lien arising under this paragraph related to mineral production before January 1, 2021 is superior and paramount to all other liens, claims, mortgages or any other encumbrance of any kind held by any person except a lien, claim, mortgage or other encumbrance of record held by a bona fide creditor and properly perfected, filed or recorded under Wyoming law prior to the filing of a lien as provided by subparagraph (E) of this paragraph; if the county fails to:".

Page 3-after line 12 Insert:

"(E) In order to perfect or bring an action to enforce or foreclose a tax lien under this paragraph, the county treasurer shall file a notice of the tax lien and a certified copy of the delinquent tax statement with the clerk and recorder of the real estate records in the county in which the mineral production occurred. A copy of the lien shall be filed with the secretary of state, but such filing is not required to perfect, enforce or foreclose the lien. Nothing in this subparagraph shall be deemed to require a county to perfect a lien that is perfected immediately under subparagraph (A) of this paragraph. The notice of the tax lien shall contain:

(IV) A legal description of the premises of the mineral estate of the taxpayer from which the mineral was produced;

(F) No other action beyond that described in subparagraph (E) of this paragraph shall be required to perfect or bring an action to enforce or foreclose a tax lien;". CASE, DRISKILL, VON FLATERN, ZWONITZER, CONNOLLY, SOMMERS

ROLL CALL

Ayes: Representative(s) Barlow, Blackburn, Blake, Brown, Burkhart, Burlingame, Clausen, Clem, Clifford, Connolly, Crank, Dayton-Selman, Duncan, Eklund, Eyre, Flitner, Freeman, Greear, Haley, Hallinan, Harshman, Henderson, Hunt, Kirkbride, Larsen, Lindholm, Loucks, MacGuire, Newsome, Nicholas, Obermueller, Olsen, Paxton, Pelkey, Piiparinen, Pownall, Roscoe, Schwartz, Simpson, Sommers, Stith, Sweeney, Tass, Washut, Western, Wilson, Winter, Yin, Zwonitzer

Nays: Representative(s) Edwards, Furphy, Gray, Jennings, Kinner, Laursen, Miller, Salazar, Styvar, Walters

Excused: Representative Northrup

Ayes 49 **Nays** 10 **Excused** 1 **Absent** 0 **Conflicts** 0

2/27/2019 Assigned Number SEA No. 0082
2/27/2019 S President Signed SEA No. 0082
2/27/2019 H Speaker Signed SEA No. 0082
3/8/2019 Governor Signed SEA No. 0082
3/8/2019 Assigned Chapter Number 187

Chapter No. 187 Session Laws of Wyoming 2019